THE LUXURY COLLECTION®

FRANCHISE DISCLOSURE DOCUMENT

MIF, L.L.C.
a Delaware limited liability company
7750 Wisconsin Avenue

Bethesda, Maryland 20814
(301) 380-3000
nalolodgingdev@marriott.com
www.marriott.com

The franchisee will establish and operate a full-service hotel that will be designated as a member of "The Luxury Collection."

The total investment necessary to begin operation of a newly-constructed 200-guestroom The Luxury Collection hotel, excluding the cost of real estate and related costs (building permit, tap, and impact fees), insurance, and contingencies, ranges from $158,503,890 to $256,797,390. This includes approximately $373,000 to $478,000 that must be paid to the franchisor or an affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Franchise Development at nalolodgingdev@marriott.com or (301) 380-3000.

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 an accountant.

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

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

Issuance Date: March 31, 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 L and M.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit I 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 The Luxury Collection 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 The Luxury Collection hotel franchisee?	Item 20 or Exhibits L and M list 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 restrictions. 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, your access to customers, what you sell, how you market, and your hours of operation.

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

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

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

Some States Require Registration

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

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 certain disputes with the franchisor by arbitration only in Maryland. Disputes not subject to arbitration must be resolved by litigation only in Maryland. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in Maryland than in your own state.

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

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

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

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

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

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

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

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

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

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

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a 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:

DEPARTMENT OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIV., FRANCHISE SECTION
525 WEST OTTAWA STREET
G. MENNEN WILLIAMS BUILDING, 1ST FLOOR
LANSING, MICHIGAN 48913
(517) 373-7117

*NOTE: NOTWITHSTANDING PARAGRAPH (f) ABOVE, WE INTEND TO SEEK ENFORCEMENT OF THE ARBITRATION CLAUSE IN THE FRANCHISE AGREEMENT TO THE FULLEST EXTENT PERMITTED UNDER THE FEDERAL ARBITRATION ACT.

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ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor. The franchisor is MIF, L.L.C., a limited liability company established under the laws of the State of Delaware in 2012. We will refer to the franchisor as "we" or "Marriott" throughout this disclosure document. The terms "we" or "Marriott" do not include our corporate officers, employees, directors, stockholders, parents, affiliates, or subsidiaries. We will refer to the person or entity that is considering purchasing a franchise as "you." The term "United States" includes only the 50 states of the United States of America and the District of Columbia, and does not include any possessions or territories of the United States. Capitalized terms not defined in this disclosure document have the meaning ascribed to them in the franchise agreement attached as Exhibit C.

We are a subsidiary of Marriott International, Inc. ("MII"), a publicly-traded corporation listed on the NASDAQ Stock Market. Our principal business address, and the principal business address of most of our affiliates, is 7750 Wisconsin Avenue Bethesda, Maryland 20814 ("Marriott Headquarters").

Brands and Businesses. We and our affiliates currently do business as AC Hotels by Marriott®, African Pride Hotels®, Aloft® by Marriott Hotels, Aloft℠ Residences, Apartments by Marriott Bonvoy℠, Autograph Collection® Hotels, Autograph Collection® Residences, Bvlgari® Hotels and Resorts, citizenM®, City Express by Marriott℠ hotels, City Express Plus by Marriott℠ hotels, City Express Suites by Marriott℠, City Express Junior by Marriott℠ hotels, City Centro by Marriott℠ hotels, Courtyard® by Marriott hotels, Delta Hotels® by Marriott, Design Hotels®, Edition® Hotels, Edition® Residences, Element® Hotels by Marriott, Fairfield® by Marriott hotels, Fairfield Inn® by Marriott hotels, Fairfield Inn & Suites® by Marriott hotels, Four Points® by Sheraton hotels, Four Points Flex℠ by Sheraton hotels, Gaylord® Hotels, Homes & Villas by Marriott Bonvoy®, JW Marriott® Hotels, JW Marriott® Hotels & Resorts, JW Marriott Marquis℠ Hotels, JW Marriott® Residences, Le Méridien® Hotels & Resorts, Le Méridien℠ Residences, Le Royal Méridien℠, Marriott Bonvoy®, Marriott® Conference Centers, Marriott Executive Apartments®, Marriott® Hotels, Marriott® Hotels and Conference Centers, Marriott® Hotels & Resorts, Marriott Marquis® Hotels, Marriott℠ Residences, Marriott Resorts®, Marriott Suites® Hotels, Moxy® Hotels, Moxy℠, Residences, Outdoor Collection by Marriott Bonvoy℠, Postcard Cabins℠, Protea Hotels® by Marriott, Protea Hotel Fire & Ice!℠, Renaissance® ClubSport® Hotels, Renaissance® Hotels, Renaissance Residences®, Residence Inn® by Marriott hotels, Ritz-Carlton® Hotels and Resorts, Ritz-Carlton Reserve®, The Residences at The Ritz-Carlton℠, The Ritz-Carlton Residences®, The Ritz-Carlton Yacht Collection®, Series by Marriott℠, Sheraton® Hotels & Resorts, Sheraton Grand® Hotels & Resorts, Sheraton® Residences, SpringHill Suites® by Marriott hotels, St. Regis® Hotels, Resorts and Suites, St. Regis Residences®, St. Regis Residence Club®, StudioRes℠ Hotels, StudioRes Hotels by Marriott, The Luxury Collection® Hotels, Resorts and Suites, The Luxury Collection Residence Club®, Tribute Portfolio® Hotels & Resorts, Tribute Portfolio℠ Residences, TownePlace Suites® by Marriott hotels, W® Hotels, W Residences®, Westin® Hotels, Westin® Hotels & Resorts, and Westin® Residences. These brands, together with any other brands we and our affiliates may develop or acquire in the future, are referred to as the "Company Brands." Hotels and other lodging facilities operating under the Company Brands, whether owned, leased, managed, franchised, or part of a project containing a residential or condominium component operating under a Company Brand, are referred to as "Company Brand Hotels."

We or our affiliates may directly or indirectly develop, acquire, operate, franchise and/or otherwise license other brands or businesses in the future.

Franchises Offered. The Luxury Collection hotels, resorts and suites ("The Luxury Collection Hotels") are full-service hotels that cater to business and leisure travelers. The Luxury Collection Hotels may be new-build hotels, conversions of existing hotels, or historic or otherwise significant buildings that

have been repurposed as hotels. Individuality in offerings is a hallmark of The Luxury Collection. Hotels vary in size and offer services and amenities at levels appropriate for hotels in their respective locations and tiers. Some hotels may offer boutique lodging experiences; others may offer catering, ballrooms and meeting rooms, business centers, recreational facilities, and an array of food and beverage options. A hotel joining The Luxury Collection will retain or create and utilize its own name, logo, and brand concept along with its designation as a member of The Luxury Collection. All franchised The Luxury Collection Hotels in the United States and Canada are part of a single system.

If approved, we will offer you a non-exclusive franchise to use the system developed by us for full-service hotels designated as members of The Luxury Collection of hotels at a specific location. The "system" consists of the "The Luxury Collection" trademark and other trademarks that we designate ; high standards of cleanliness, quality, and service; training programs and materials; advertising, marketing, and promotional programs, including loyalty programs; a reservation system; a property management system; a revenue management system; and a quality assurance program. We may unilaterally add to, merge, discontinue, or otherwise modify components of the system at any time (including in response to changes to applicable laws and regulations, consumer preference, and market conditions). Modifications to the system may be made for all The Luxury Collection or any category of those hotels. A category may have specific physical and operating standards or merely be a descriptive designation or another designation as we determine.

Residences. We have received various proposals from franchisees seeking to add a residential, condominium, or multi-family rental component to a Company Brand Hotel project. If your hotel will have a residential, condominium, or multi-family rental component, we may require that such component operates under the applicable Company Brand, and the franchise agreement will be modified and supplemented to include provisions addressing the governing documents in effect or to be used by you or others for sales, leasing, operations, maintenance and governance of the project or components thereof. In most instances, the individual units within a residential, condominium, or multi-family rental project will not be independently franchised and must be operated in connection with a Company Brand Hotel. Any proposed rental program for such units (and related documents) is subject to our approval and applicable laws, including securities laws. Given the many potential structures for these projects, we reserve the right to supplement or waive any requirements (including any standards) with respect to a particular project, depending on the location and physical layout of the project and applicable condominium and related laws. If approved, we will generally require that facilities, amenities and areas necessary for the management of the hotel are owned and controlled by you and operated by you or your approved management company. In addition, the use of our trademarks for the operation of any residential, condominium, or multi-family component will be subject to an additional license agreement. Although we will not participate in the development or sale of any units, in certain circumstances we may grant a license allowing the units to be sold under a Company Brand pursuant to a marketing license agreement. We may also grant licenses to rent units under the Company Brands using our reservation channels, distribution channels, and loyalty programs.

Business Experience of Franchisor and Affiliates. We have offered franchises for The Luxury Collection Hotels since March 2017. Our affiliates have owned and managed The Luxury Collection Hotels since 1998 and offered franchises for The Luxury Collection Hotels between 1998 and March 2017. As of December 31, 2025, our affiliates operated five The Luxury Collection Hotels in the United States and Canada.

Company Brand Hotels. The Company Brand Hotels cater to a broad spectrum of customers, and include luxury and upper-upscale full-service hotels, lifestyle hotels, extended-stay hotels, select-service hotels, mid-scale hotels, serviced-apartment hotels, all-inclusive hotels, residences, properties offering outdoor-oriented lodging accommodations and related services, and other lodging businesses. The tables

below summarize our business experience and the business of our affiliates relating to Company Brand Hotels, including the length of time we and our affiliates have operated and franchised Company Brand Hotels, and the number of franchised Company Brand Hotels operating in the United States and Canada as of December 31, 2025:

PREMIUM AND LUXURY FRANCHISED COMPANY BRAND HOTELS				
Company Brand	**Length of Time Operated by Us or Our Affiliates**	**Length of Time Franchised by Us or Our Affiliates**	**Number of Franchised Outlets Operating in the U.S. and Canada as of December 31, 2025**	**Additional Information**
Autograph Collection Hotels	2010 – Present	2009 – Present	156	
Bvlgari Hotels and Resorts	2004 – Present	2020 – Present	0	This Company Brand was developed in 2004 with Bvlgari SpA, a world-renowned designer of jewelry and luxury goods. In very limited circumstances, we or our affiliates have granted franchises for Bvlgari Hotels and Resorts in the United States and Canada.
Delta Hotels by Marriott	2015 – Present	2015 – Present	67	MII acquired the brand, management, and franchise business of Delta Hotels and Resorts from Delta Hotels Limited Partnership in April 2015 and subsequently changed the name of the brand to "Delta Hotels by Marriott."
Edition Hotels	2014 – Present	Not applicable	0	This Company Brand was developed in 2007. In very limited circumstances, we or our affiliates may grant franchises for Edition Hotels in the United States and Canada.
Le Méridien Hotels	2005 – Present	2005 – Present	24	
Marriott Hotels **JW Marriott Hotels**	1957 – Present 1984 – Present	1968 – Present 2000 – Present	237 13	
Renaissance Hotels **Renaissance ClubSport Hotels**	1997 – Present Not applicable	1997 – Present 2005 – Present	69 2	
Ritz-Carlton Hotels	1995 – Present	2015 – Present	1	In very limited circumstances, we or our affiliates have granted franchises for Ritz-Carlton Hotels, Ritz-Carlton Hotels and Resorts, or Ritz-Carlton Reserve Hotels in the United States and Canada.
St. Regis Hotels	1960 – Present	2023 – Present	0	In very limited circumstances, we or our affiliates have granted franchises for St. Regis Hotels and Resorts in the United States and Canada.

PREMIUM AND LUXURY FRANCHISED COMPANY BRAND HOTELS				
Company Brand	**Length of Time Operated by Us or Our Affiliates**	**Length of Time Franchised by Us or Our Affiliates**	**Number of Franchised Outlets Operating in the U.S. and Canada as of December 31, 2025**	**Additional Information**
Sheraton Hotels	1974 – Present	1974 – Present	141	
The Luxury Collection Hotels	1998 – Present	1998 – Present	14	
Tribute Portfolio Hotels	Not applicable	2015 – Present	101	
W Hotels	1998 – Present	Presently not franchised in the United States and Canada	0	We and our affiliates may begin offering franchises for W Hotels in the United States and Canada.
Westin Hotels	1998 – Present	1998 – Present	96	

SELECT SERVICE, EXTENDED-STAY, AND MID-SCALE FRANCHISED COMPANY BRAND HOTELS				
Company Brand	**Length of Time Operated by Us or Our Affiliates**	**Length of Time Franchised by Us or Our Affiliates**	**Number of Franchised Outlets Operating in the U.S. and Canada as of December 31, 2025**	**Additional Information**
AC Hotels by Marriott	2011 – Present	2011 – Present	134	
Aloft by Marriott Hotels	2006 – Present	2006 – Present	167	
citizenM	Not applicable	2025 – Present	16	MII acquired the citizenM brand and hotel operating system from the citizenM Holding BV, a Dutch private limited company and certain of its affiliates (collectively the "Seller") in 2025. Concurrently with MII's acquisition of the brand, the Seller's 16 open citizenM hotels in the United States and Canada were converted into franchised citizenM Hotels pursuant to franchise agreements with us.
City Express by Marriott	Not applicable	2024 – Present	11	This brand was launched in the United States and Canada under the project name "Project Mid-T by Marriott" in July 2024. We designated "City Express by Marriott" as the principal trademark for the brand in October 2024.
Courtyard by Marriott Hotels	1983 – Present	1990 – Present	931	

SELECT SERVICE, EXTENDED-STAY, AND MID-SCALE FRANCHISED COMPANY BRAND HOTELS				
Company Brand	**Length of Time Operated by Us or Our Affiliates**	**Length of Time Franchised by Us or Our Affiliates**	**Number of Franchised Outlets Operating in the U.S. and Canada as of December 31, 2025**	**Additional Information**
Element by Marriott Hotels	2006 – Present	2006 – Present	99	
Fairfield by Marriott Hotels	1987 – Present	1989 – Present	1186	The "Fairfield" hotel brand was established in October 1987, with Fairfield Inn by Marriott hotels. In 2000, MII introduced Fairfield Inn & Suites by Marriott hotels to the brand. In March 2018, the brand name was changed to "Fairfield by Marriott" for new and converting franchisees.
Four Points by Sheraton Hotels	1995 – Present	1995 – Present	144	
Moxy Hotels	Not applicable	2014 – Present	48	
Residence Inn by Marriott Hotels	1987 – Present	1984 – Present	820	
Series by Marriott	Not applicable	2025 – Present	2	This brand was developed in 2025.
SpringHill Suites by Marriott Hotels	1995 – Present	1996 – Present	566	
StudioRes by Marriott Hotels	Not applicable	2023 - Present	4	This mid-scale, extended-stay brand was developed in 2023.
TownePlace Suites by Marriott Hotels	1997 – Present	1996 – Present	567	

OTHER COMPANY BRAND HOTELS				
Company Brand	**Length of Time Operated**	**Length of Time Franchised**	**Number of Franchised Outlets Operating in the U.S. and Canada as of December 31, 2025**	**Additional Information**
Apartments by Marriott Bonvoy	Not applicable	2022 - Present	2	This serviced-apartment hotel brand was developed in 2022.
Design Hotels	Not applicable	2019 – Present	1	MII's subsidiary, Design Hotels GmbH, and its predecessors have operated a distribution, sales, and marketing affiliation of independently owned and individually-selected member hotels and resorts under the Design Hotels mark since 1993. The brand transitioned to a non-franchise affiliation model in 2022.
Gaylord Hotels	2012 – Present	Presently not franchised in the U.S. or Canada	0	MII acquired the Gaylord brand and hotel management company from Gaylord Entertainment Company (now Ryman Hospitality Properties, Inc.) in 2012. We and our affiliates do not currently intend to offer franchises for Gaylord hotels in the United States and Canada.
Marriott Executive Apartments	1997 – Present	Presently not franchised in the U.S. or Canada	0	Marriott Executive Apartments were formerly known as "Marriott Executive Residences." We and our affiliates do not currently intend to offer franchises for Marriott Executive Apartments in the United States and Canada.
Outdoor Collection by Marriott Bonvoy	Not applicable	2025 – Present	0	We and our affiliates have developed a portfolio of outdoor-oriented lodging brands that include outdoor cabins, lodges, campgrounds, glamping facilities, outdoor sports and adventure facilities, and related businesses referred to as the "Outdoor Collection by Marriott Bonvoy." Properties that are part of the Outdoor Collection by Marriott Bonvoy may operate under independent brands or under one or more brands that we or our affiliates designate.
Postcard Cabins	Not applicable	2024 – Present	29	
Trailborn	Not applicable	Not applicable	0	
Protea Hotels	2014 – Present	Presently not franchised in the U.S. or Canada	0	The term "Protea Hotels" includes Protea Hotels by Marriott, Protea Hotel Fire & Ice!, and African Pride Hotels, Lodges and Country Houses. In 2014, a subsidiary of MII acquired the brands and hotel management and franchise business of Protea Hospitality Holdings, which operated and franchised Protea Hotels throughout Africa. We and our affiliates do not currently intend to offer franchises for these brands in the United States and Canada, but we expect to continue offering franchises for locations outside the United States and Canada.

Certain of our affiliates offer franchises for Company Brand Hotels outside of the United States ("International Franchises"), including: Marriott Worldwide Corporation ("MWC"); Marriott Switzerland

Licensing Company GmbH ("MSLC"); Renaissance Hotel Holdings, Inc. ("RHHI"); IHLC acting on its own behalf and through its branch in Switzerland ("IHLC Zurich Branch"); Global Hospitality Licensing S.à r.l. ("GHL"); ACHM Global Hospitality Licensing S.à r.l. ("ACHM"); Marriott International Licensing Company, B.V. ("MILCO"); W International, Inc. ("WII"); Franchise and License (Canadian) OPS Limited Partnership ("FLO"); SII Real Estate Holdings, Inc. ("SII"); Westin Hotel Management, L.P. ("WHMLP"); Starwood Asia Pacific Hotels & Resorts Pte. Ltd. ("SAPHR"); Starwood (M) International, Inc. ("SMI"); S Collection, Inc. ("SCI"); The Sheraton LLC ("SLC"); Luxury Hotels International of Hong Kong Limited ("LHIHK"); and Starwood EAME License and Services Company, B.V. ("SELSC"): Sheraton Overseas Management Corporation (Thailand Branch); and Shanghai Gingerroot Enterprise Management Co. Ltd. FLO, MWC, RHHI, SCI, SII, SMI, SLC, WHMLP, WII, and Sheraton Overseas Management Corporation (Thailand Branch) have a principal business address at Marriott Headquarters. IHLC, GHL and ACHM have a principal business address at 33 rue du Puits Romain, L-8070 Bertrange, Luxembourg. IHLC Zurich Branch has a business address at Bahnhofplatz 14, 8001, Zürich, Switzerland. MSLC has a principal business address at Platz 3, 6039 Root D4, Switzerland. LHIHK has a principal business address at 11th Floor, 1111 King's Road, Taikoo Shing, Hong Kong. SAPHR has a principal business address at 2 HarbourFront Place, #06-08, Bank of America HarbourFront, Singapore 098499. SELSC has a principal business address at Rue des Colonies 11, 1000 Brussels, Belgium. Shanghai Gingerroot Enterprise Management Co., Ltd. has a principal business address of Suite 902, No. 1901 Huashan Road, Xuhui District, Shanghai, 200030, China.

Other Company Brands. In addition to operating and franchising Company Brand Hotels, we and our affiliates manage golf facilities and resorts and luxury yachts under the Company Brands. We and our affiliates also grant franchises or licenses to real estate developers to market, sell, and rent residential and condominium units under the Company Brands using our reservation channels, distribution channels, and loyalty programs. We may manage the day-to-day operations of the condominium or residential units on behalf of the residential or condominium owners' associations.

In 2024, we and our affiliates announced our expansion to outdoor-focused lodging products. Concurrently with the announcement, MII acquired the Getaway Outposts brand from Getaway House, Inc. ("Getaway"). Getaway operated 29 multi-cabin outposts across the United States and abroad. Marriott subsequently re-launched the brand under the name "Postcard Cabins," and the existing Getaway Outposts were converted into Postcard Cabins facilities that operate under franchise agreements with Marriott. In 2024, MII also entered into an exclusive, long-term license agreement with Trailborn Brand LLC, an existing outdoor hospitality brand. Through the license agreement, room nights at participating Trailborn properties will be available on Marriott.com and other MII distribution channels. Participating Postcard Cabins and Trailborn facilities will be deemed Company Brand Hotels and part of the Outdoor Collection by Marriott Bonvoy. In 2025, we and our affiliates launched the Outdoor Collection by Marriott Bonvoy Brand, which includes the Postcard Cabins and Trailborn sub-brands.

In 2024, MII entered into a license agreement with Sonder Holdings, Inc. to create the "Sonder by Marriott Bonvoy" collection. Through the license agreement, Sonder's existing portfolio of 200 apartment-style properties were identified under the "Sonder by Marriott Bonvoy" trademark and were listed on Marriott.com and other Marriott distribution channels. The license agreement was terminated in 2025.

In 2023, MII entered into an exclusive, long-term strategic license agreement with MGM Resorts International ("MGM") to create the MGM Collection with Marriott Bonvoy. Through the license agreement, room nights at participating MGM hotels will be available on Marriott.com and other Marriott distribution channels. Participating MGM hotels are deemed Company Brand Hotels.

In 2019, MII developed Homes & Villas by Marriott Bonvoy (f/k/a Homes and Villas by Marriott International), a home sharing program that offers short-term home rentals using our reservation and

distribution channels and loyalty programs.

In 2019, MII also launched a new all-inclusive resort platform through which select hotels and resorts may charge a nightly rate per guest that includes the cost of a room and certain other amenities such as recreational programs and activities. We and our affiliates are currently offering and selling franchises for all-inclusive hotels and resorts under the following Company Brands: (i) Autograph Collection Hotels, (ii) Delta Hotels by Marriott, (iii) Marriott Hotels & Resorts and JW Marriott Hotels and Resorts, (iv) The Luxury Collection Hotels & Resorts, (v) Tribute Portfolio Hotels and Resorts, (vi) W Hotels, and (vii) Westin Hotels & Resorts. We and our affiliates may operate or grant third parties the right to operate all-inclusive resorts under any of our Company Brands. In conjunction with our entry into the all-inclusive market, IHLC acquired Elegant Hotels plc. Elegant Hotels operates seven hotels (certain of which are all-inclusive) in Barbados. Of the seven Elegant Hotels, four are in the process of converting into Autograph Collection hotels, two are in the process of converting into Tribute Portfolio Hotels, and one is in the process of converting into a The Luxury Collection Hotel.

In 2011, MII's domestic and overseas timesharing and fractional destination club business and certain related whole ownership residential development businesses (respectively, the "Marriott Destination Club" and "Marriott Whole Ownership Residential Businesses") were spun off as an independent publicly-traded company, Marriott Vacations Worldwide Corporation ("MVW"). Pursuant to long-term license agreements with MII and its affiliates, MVW has: (i) the exclusive right to develop and operate the Marriott Destination Club and Marriott Whole Ownership Residential Businesses and related products under the brand names Marriott Vacation Club®, Marriott Vacation Club® International, Marriott Vacation Club Destinations®, Grand Residences by Marriott℠, Sheraton Vacation Club®, Westin Vacation Club®, and other approved property names; (ii) the exclusive right to develop and operate the Marriott Destination Club and Marriott Whole Ownership Residential Businesses and related products under the brand names The Ritz-Carlton Destination Club® and The Ritz-Carlton Club®; (iii) the right to sell, market, manage, operate and/or finance certain existing vacation ownership properties under the St. Regis Residence Club® name, the Luxury Collection Residence Club® name, and under other existing property names using the St. Regis® and The Luxury Collection® marks; and (iv) the non-exclusive right to develop Whole Ownership Residential Businesses and related products under the brand name The Ritz-Carlton Residences® ((i) through (iv) collectively, "MVW Licensed Brands"). We and our affiliates may manage certain of these projects.

Except as noted above, neither we nor our affiliates have offered franchises in any other line of business.

Products and Services Available to Franchisees. We, directly or through our designee, Marriott International Design & Construction Services, Inc. ("Marriott Design & Construction"), provide Company Brand Businesses with a variety of design services and purchasing services for certain furniture, fixtures, equipment, and opening operating supplies. We, directly or through our designee, MIP Americas, also provide procurement services for certain recurring operating supplies.

In 2019, MII acquired an interest in in Groups360 LLC ("Groups360"), which provides lead generation services, meeting advisory services, and marketing services to participating Company Brand Hotels and other hospitality companies.

In 2017, MII formed Travel Ease International (Hong Kong) Limited ("Travel Ease") with Alibaba Group Holdings Limited ("Alibaba"), a Chinese multinational e-commerce conglomerate. Travel Ease manages certain of our Chinese digital reservation and distribution channels, including an online storefront on Fliggy (Alibaba's travel platform). Travel Ease also markets the products and services offered by

Company Brand Businesses to Alibaba's customer base and provides a link between our loyalty programs and Alibaba's loyalty programs.

From 2012 to 2020, our affiliate, Hotel JV Services, LLC, operated Roomkey.com, a website that offered consumers the opportunity to research and compare hotels online.

We and our affiliates may from time to time establish or invest in other businesses that provide goods and services to Company Brand Businesses.

Agents for Service of Process. Our agents for service of process are listed at Exhibit F.

Laws Applicable to the Lodging Industry. A summary of laws and regulations specific to the lodging industry is listed at Exhibit H.

Market and Competition. The market for lodging services is well developed and highly competitive. You will compete with other hotel and resort properties, ranging from national and international hotel brands to independent, local, and regional hotel operators, as well as alternative lodging companies that rent residential inventory in a manner consistent with hotels. You may also compete with other lodging facilities operating under the Company Brands and MVW Licensed Brands. Depending on your geographic location and the services offered, your business may be seasonal.

The market for residences, condominiums, and multi-family development projects is well developed, regulated, seasonal, and highly competitive. If you elect to develop or operate a residential component with your Company Brand Hotel, you will compete with local, regional, and national residential property developers and residential brands, many of which are well-established in the market with respect to both new development and re-sales. You may also compete with other Company Brands and MVW Licensed Brands that may be located close to your project. Your ability to compete in the marketplace is dependent upon a number of factors, including location, accessibility, level of service, operating efficiency, quality and appearance, marketing and advertising programs, associate satisfaction, and general economic conditions.

The hotel business is highly sophisticated. Both typical and special business risk factors exist in the hotel and residential industries. Risk factors that you should consider may include (without limitation): the location and size of your hotel; the potential seasonality of consumer demand in your market; competition in your market; changing consumer demand and preferences; whether you manage the hotel; the cost and availability of supplies, equipment, labor, and financing; your management skills and abilities; the continuation of sources of supply; fluctuations in real estate values; the cost of compliance with applicable laws and regulations; the cost of operating in a sustainable, ethical, and socially conscience manner, consistent with prevailing business practices and consumer expectations; developments in technology and disruptions in technology systems; environmental liabilities; insurance needs; recession or depression locally, nationally, or internationally; wars, terrorist turmoil, strikes, national or local emergencies, public health incidents, natural disasters, and other forms of social and political uncertainty; and liability and casualty losses. We urge you to consult with your professional advisors to identify and consider all risk factors that may affect your business.

ITEM 2

BUSINESS EXPERIENCE

A list of the directors, principal officers, and other individuals who have management responsibility for the sale or operation of the franchise offered by this disclosure document follows. The location of employment for each person is Bethesda, Maryland, unless we name another location. MIF is a subsidiary of MII and has no directors or officers.

Directors of MII

Chairman of the Board: David S. Marriott

Mr. Marriott has been Chairman of the Board of MII since May 2022. Prior to that, Mr. Marriott was a Director of MII from March 2021 to May 2022. Mr. Marriott was the President, U.S. Full Service, Managed by Marriott from 2018 to April 2021, and previously served as MII's Chief Operations Officer – The Americas, Eastern Region from 2010 to 2018. He also serves as the Chairman of the Governing Board of St. Albans School in Washington, D.C. and as a Trustee of The J. Willard & Alice S. Marriott Foundation.

Director, Chief Executive Officer, and President: Anthony Capuano

Mr. Capuano has been a Director and Chief Executive Officer of MII since February 2021. In February 2023, he also assumed the role of MII's President. Prior to that, Mr. Capuano was Group President, Global Development, Design and Operations Services from January 2020 to February 2021, and Executive Vice President, Global Chief Development Officer from June 2011 to January 2020. Mr. Capuano has also served as a Director of McDonald's Corporation since October 2022.

Director: Isabella D. Goren

Ms. Goren has been a Director of MII since March 2022. She has also served as a Director of MassMutual Financial Group since December 2014 and a Director of General Electric since March 2022. Ms. Goren was Chief Financial Officer of American Airlines, Inc. and its parent company, AMR Corporation from 2010 to 2013. She previously served as a Director of Gap Inc. until December 2021 and LyondellBasell Industries until May 2021.

Director: Deborah Marriott Harrison

Ms. Harrison has been a Director of MII since June 2014. Ms. Harrison has served as Global Cultural Ambassador Emeritus since May 2019. Prior to that, she was Global Officer, Marriott Culture and Business Councils from October 2013 to May 2019.

Director: Frederick A. Henderson

Mr. Henderson has been a Director of MII since May 2013. Mr. Henderson was Chairman and Chief Executive Officer of SunCoke Energy, Inc. from December 2010 to December 2017, and Chairman and Chief Executive Officer of SunCoke Energy Partners GP LLC, the general partner of SunCoke Energy Partners, L.P., from January 2013 to December 2017. Mr. Henderson has served as a Trustee of the Alfred P. Sloan Foundation from 2008 to June 2025. Mr. Henderson has also served as a principal in the Hawksbill Group and an operating partner with Atlas Holdings since 2018, the non-executive Chairman of the Board Adient plc since October 2018, a Director of US Farathane since July 2023, and as a non-executive

Chairman of the Board of RESRG since 2025. He previously served as a Director of Horizon Global Corporation until June 2022, and as non-executive Chairman of Adient plc until August 2023.

Director: Lauren Hobart

Ms. Hobart has been a Director of MII since March 2023. Ms. Hobart has also served as Chief Executive Officer of DICK'S Sporting Goods, Inc. since February 2021, and President of DICK'S Sporting Goods, Inc. since May 2017. Ms. Hobart was previously a Director of Yum! Brands, Inc. from November 2020 to August 2022 and a Director of Sonic Corp. from 2014 to 2018.

Director: Debra L. Lee

Ms. Lee has been a Director of MII since June 2004. Ms. Lee was Chairman of the Board and Chief Executive Officer of BET Networks, a subsidiary of Viacom, Inc., from 2006 until her retirement in May 2018, and has been Chair of the Leading Women Defined Foundation since June 2018. She has served as a Director of Warner Brothers Discovery since April 2022, Burberry Group plc. since October 2019, and Procter & Gamble since August 2020. She previously served as a director of AT&T Inc. until April 2022, WGL Holdings, Inc. from 1999 to 2018, Twitter, Inc. from May 2016 to August 2019, Eastman Kodak Company from 1999 to May 2011, and Revlon, Inc. from 2005 to 2015.

Director: Aylwin B. Lewis

Mr. Lewis has been a Director of MII since September 2016. Mr. Lewis was Chairman, President and Chief Executive Officer of Potbelly Sandwich Works, LLC in Chicago, Illinois from June 2008 to November 2017. He has served as a Director of Voya Financial, Inc. since October 2020, a Director of The Chefs' Warehouse, Inc. since January 2021, and a Director of Caliber Collison since January 2021. He previously served as a Director of Red Robin Gourmet Burgers, Inc. from May 2018 to November 2019, The Walt Disney Company from January 2004 to March 2019, and Starwood from January 2013 to September 2016.

Director: Margaret M. McCarthy

Ms. McCarthy has been a Director of MII since March 2019. Ms. McCarthy served as Executive Vice President of CVS Health Corporation from November 2018 to June 2019. Prior to that she served as Aetna, Inc.'s Executive Vice President, Operations and Technology from November 2010 to November 2018. Ms. McCarthy has served as a Director of Alignment Healthcare since December 2020, American Electric Power Company, Inc. since April 2019, and First American Financial Corporation since July 2015. She served as a Director of Brighthouse Financial, Inc. from November 2018 to June 2021.

Director: Grant Reid

Mr. Reid has been a Director of MII since March 2023. Mr. Reid served as President and Chief Executive Officer of Mars Incorporated from July 2014 to December 2022. He served in various leadership roles at Mars Incorporated during his 34-year career with the company. Mr. Reid has also served as Chairman of the Board of SMI Agribusiness Task Force since January 2023 and a Director of Vanguard since July 2023.

Director: Horacio D. Rozanski

Mr. Rozanski has been a Director of MII since March 2021. Mr. Rozanski has served as a Director and the President and Chief Executive Officer of Booz Allen Hamilton since January 2015, Chairman of

the Board since 2024, and has been an employee of the firm since 1992. He also serves as Chairman of the Board of the Children's National Medical Center, as a Director of CARE USA, and as a member of the United States Holocaust Memorial Museum's Committee on Conscience.

Director: Susan C. Schwab

Ambassador Schwab has been a director of MII since May 2015. Ambassador Schwab has served as a Professor Emerita at the University of Maryland School of Public Policy since February 2020 and as a Professor since January 2009. She has also been a strategic advisor to Mayer Brown, LLP, a global law firm since March 2010. Ambassador Schwab has served as a Director of Caterpillar Inc. since June 2009 and FedEx Corporation since June 2009 and served as a Director of The Boeing Company from February 2010 to April 2021.

Director: Sean Tresvant

Mr. Tresvant has been a director of MII since January 2025. Mr. Tresvant has served as Taco Bell Corporation's Chief Executive Officer since January 2024 and as Yum! Brands Chief Consumer Officer since October 2025. Prior to that, he served as Taco Bell Corporation's Chief Global Brand and Strategy Officer from February 2023 to January 2024, and Chief Brand Officer from December 2021 to March 2024. He served as a Chief Marketing Officer for Nike's Jordan brand from July 2020 to December 2021.

Emeritus Designation

Chairman Emeritus: J.W. Marriott, Jr.

Mr. Marriott has been MII's Chairman Emeritus since May 2022. Prior to that, Mr. Marriott was a Director of MII from 1964 to 2022, and Chairman of the Board of MII from 1985 to 2022. Mr. Marriott joined our predecessor, Marriott Corporation, in 1956. He became its President in 1964 and Chief Executive Officer in 1972. He served as Chief Executive Officer of MII until March 2012. He serves as a Trustee of The J. Willard & Alice S. Marriott Foundation and is an honorary member of the executive committee of the World Travel & Tourism Council.

Principal Officers of Marriott

Executive Vice President and Chief Development Officer: D. Shawn Hill

Mr. Hill has been MII's Executive Vice President and Chief Development Officer since January 2026. He was MII's Chief Development Officer, APEC Division from January 2022 to December 2025. Prior to that, he was MII's Senior Vice President, International Lodging Development, APEC Division from April 2013 to December 2021.

Executive Vice President and Chief Financial Officer: Jennifer Mason

Ms. Mason has been MII's Executive Vice President and Chief Financial Officer since February 2026. Ms. Mason was MII's Global Officer, Treasurer and Risk Management from May 2022 to February 2026. Prior to that, she was MII's Chief Financial Officer, U.S. and Canada from August 2016 to May 2022. Ms. Mason has also been a Director of Six Flags Entertainment Corporation since July 2024, and was a Director of the Cedar Fair Entertainment Company from October 2022 to June 2024.

Executive Vice President and General Counsel: Rena Hozore Reiss

Ms. Reiss has been MII's Executive Vice President and General Counsel since December 2017. Prior to that, she served as Executive Vice President, General Counsel, and Secretary of Hyatt Hotels Corporation from August 2010 to October 2017. Ms. Reiss has also served as a Director of the American Hotel & Lodging Association since 2020 and as a Director of the Legal Aid Society of the District of Columbia since 2022.

Executive Vice President and Chief Revenue & Technology Officer: Drew Pinto

Mr. Pinto has been MII's Executive Vice President and Chief Revenue & Technology Officer since February 2023. Prior to that, he was MII's Global Officer – Distribution, Revenue Strategy, Engagement Centers, and Global Sales from January 2021 to February 2023. Mr. Pinto served as Senior Vice President, Distribution & Revenue Strategy from January 2019 to December 2020, and as Senior Vice President, Distribution from September 2016 to December 2018.

Global Development Officer, U.S. & Canada: Noah J. Silverman

Mr. Silverman has been MII's Global Development Officer, U.S., and Canada since March 2021. Prior to that, Mr. Silverman was Chief Development Officer, U.S. & Canada, Full-Service Hotels from May 2011 to March 2021. Mr. Silverman has also served as a member of the Board of Directors of KEEN Greater DC, LLC since April 2021.

Controller and Chief Accounting Officer: Felitia Lee

Ms. Lee has been MII's Controller and Chief Accounting Officer since May 2020. Prior to that, she was Senior Vice President and Controller of Kohl's Corporation from September 2018 to April 2020, and Company Vice President and Controller of Pepsi Bottling Company from September 2010 to August 2018.

Group President: Satya Anand

Mr. Anand has been Group President, U.S., Canada, Caribbean, and Latin America since March 2026. Previously, Mr. Anand was President of the EMEA Division of MII from October 2020 to March 2026.

Executive Vice President and Chief Customer Officer: Peggy Fang Roe

Ms. Roe has been MII's Executive Vice President and Chief Customer Officer since February 2023. Prior to that, she served as MII's Global Officer, Customer Experience, Loyalty, and New Ventures from January 2020 to February 2023, and Chief Sales & Marketing Officer in Asia Pacific from October 2013 to January 2020. Ms. Roe has served as a Director of Simon Property Group since December 2021.

President, Luxury: Tina Edmundson

Ms. Edmundson has been MII's President, Luxury since February 2023. Prior to that, she served as MII's Global Officer, Brand and Marketing from January 2020 to February 2023, and Global Brand Officer from September 2016 to January 2020. Ms. Edmundson has served as a Director of MillerKnoll since October 2023.

Chief Franchise Officer: Tushaar Agrawal

Mr. Agrawal has been MII's Chief Franchise Officer since January 2025. He served as MII's Senior Vice President, U.S. Marriott Select Brand Franchising from October 2022 to January 2025. Prior to that, he served as the General Manager of the JW Marriott Washington DC hotel from March 2019 to October 2022. He has also served on the Board of Directors for the International Franchise Association since 2025.

Chief Lodging Product and Services Officer: Diana Plazas-Trowbridge

Ms. Plazas-Trowbridge has been Chief Lodging Product and Services Officer since January 2025. She served as Senior Vice President and Global Brand Leader, Select Brands from October 2023 to January 2025. Prior to that, she served as Chief Sales and Marketing Officer, Caribbean and Latin America from December 2019 to October 2023, and Vice President, Owner & Franchise Relations – Caribbean and Latin America from April 2018 to December 2019.

Secretary, Senior Vice President, and Assistant General Counsel: Andrew P. C. Wright

Mr. Wright has been MII's Secretary since May 2020, Assistant General Counsel since June 2024, and Senior Vice President since January 2025. He served as Vice President and Senior Counsel from March 2017 to June 2024.

Lodging Development

Senior Vice President, U. S. Full-Service Brands – Eastern Region: Lisa Sexton

Ms. Sexton has been Senior Vice President, U. S. Full-Service Brands for the Eastern Region since March 2023. Prior to that, she was Regional Vice President, U.S. Full-Service Brands for the Eastern Region from October 2021 to March 2023, and Vice President, Lodging Development for the Eastern Region from June 2015 to October 2021.

Senior Vice President, U. S. Full-Service Brands – Western Region: Paul Loehr

Mr. Loehr has been Senior Vice President, U. S. Full-Service Brands for the Western Region since March 2023. Prior to that, he was Regional Vice President, U.S. Full-Service Brands for the Western Region from October 2021 to March 2023, Regional Vice President, Lodging Development Division for Canada from April 2018 to October 2021, and Vice President, Lodging Development Division for the Western Region from March 2015 to April 2018.

Chief Development Officer, U.S. Luxury Brands and Global Mixed-Use: Dana A. Jacobsohn

Ms. Jacobsohn has been Chief Development Officer, U.S. Luxury Brands and Global Mixed-Use since July 2021. Prior to that, Ms. Jacobsohn was Senior Vice President, Global Mixed-Use Development from March 2019 to July 2021 and Vice President, Mixed-Use Development from December 2014 to March 2019.

Vice President, Global Mixed-Use Development: Sarah A. Khalifa

Ms. Khalifa has been Vice President, Global Mixed-Use Development since August 2021 and was Senior Director, Mixed-Use Development from August 2019 to August 2021. Prior to that Ms. Khalifa was a Senior Associate at Clyde & Co from December 2015 to July 2019.

Operations

Vice President and Premium & Endorsed Category Leader, U.S. and Canada: Matthew Boettcher

Mr. Boettcher has been Vice President and Premium & Endorsed Category Leader, U.S. and Canada since January 2025. Prior to that, he was Vice President and Global Brand Leader, Distinctive Select Brand Portfolio from October 2022 to January 2025, Vice President, Global Brand Operations, Lifestyle and Classic Select Brands from September 2020 to October 2022, and Vice President Global Brand Operations, Lifestyle Brands from August 2019 to September 2020.

Senior Vice President, Full-Service Franchising: Michele Pajot

Ms. Pajot has been Senior Vice President, Full Service Franchising since January 2025. Prior to that, she was Area Vice President, Franchise Operations from January 2016 to January 2025.

Managing Vice President, Owner and Franchise Services Business Support: Sophia Swemba

Ms. Swemba has been Managing Vice President, Owner & Franchise Services Business Support since January 2025. Prior to that, she was Vice President Owner and Franchise Services Business Support from April 2024 to January 2025, Vice President, Franchise Advocate from July 2021 to April 2024, and Sr. Director – Marriott Select Brands MxM from April 2018 to July 2021.

Senior Vice President, Asset Management, Feasibility & Analysis - U.S. & Canada: James McKinney

Mr. McKinney has been Senior Vice President, Asset Management, Feasibility & Analysis - U.S. & Canada since June 2023. Prior to that, he was Vice President, Global Asset Management, from January 2011 to June 2023.

ITEM 3

LITIGATION

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

A. Data Security Incident

On November 30, 2018, MII announced a data security incident involving unauthorized access to the Starwood reservations database (the "Data Security Incident"). MII discontinued use of the Starwood reservation database for business operations at the end of 2018. Following MII's announcement of the Data Security Incident, numerous lawsuits were brought, and may continue to be brought, against Starwood, MII, and their respective officers and directors. Below is a summary of certain litigation matters relating to the Data Security Incident:

1. In re Marriott International Customer Data Security Breach Litigation (MDL No. 19-md-2879). Numerous putative class actions and some individual actions have been filed against Starwood and MII in U.S. federal and state courts alleging, among other claims, negligence, invasion of privacy, violation of federal and state consumer protection and data privacy laws, violation of municipal ordinances, violation of the European Union's General Data Protection Regulation and similar foreign laws and regulations, conversion, misrepresentation, and unfair and deceptive trade practices. The plaintiffs in these cases seek statutory, actual, compensatory, punitive, and consequential damages, including attorneys' fees and costs, in amounts to be proven at trial. The amount sought by all plaintiffs is not yet specified.

On February 6, 2019, 11 then-pending federal cases and all future "tag-along" cases were transferred by the Judicial Panel on Multidistrict Litigation ("JPML") to the United States District Court for the District of Maryland for coordination under the name and matter In re Marriott International Customer Data Security Breach Litigation (MDL No. 19-md-2879) (the "MDL").

On July 22, 2019, consumer MDL plaintiffs filed an Amended Consolidated Complaint which added Accenture LLP and Accenture PLC as defendants. Accenture PLC was subsequently voluntarily dismissed without prejudice. The parties also selected a sub-set of claims from the Amended Consolidated Complaint to proceed at this stage of the litigation. On August 26, 2019, consumer plaintiffs filed a Second Amended Consolidated Complaint. Defendants moved to dismiss the Second Amended Consolidated Complaint on September 23, 2019, and on February 21, 2020, the Court granted in part and denied in part MII's motion. MII filed an answer to the portions of the Second Amended Consolidated Complaint on July 13, 2020, and an Amended Answer on August 3, 2020. In May 2022, the Court granted class certification to several groups of plaintiffs. MII and its co-defendants filed petitions to appeal the class certification, and on July 14, 2022, the U.S. Court of Appeals for the Fourth Circuit (the "Fourth Circuit") granted those petitions. In August 2023, the Fourth Circuit vacated the District Court's class certification decision because the District Court failed to first consider the effect of a class-action waiver signed by all putative class members. On remand, after briefing, the District Court issued an order reinstating the same classes that had previously been certified. MII promptly petitioned the Fourth Circuit, which granted leave to appeal the District Court's ruling. The Fourth Circuit heard oral argument on that appeal on November 1, 2024. On June 3, 2025, the Fourth Circuit reversed the District's Court's ruling. After the Fourth Circuit's ruling de-certifying the class, several thousand individual plaintiffs who would have been class members filed lawsuits against MII in New York state court. Starwood, MII, and the other defendants continue to defend against the MDL plaintiffs' and individual plaintiffs' claims.

2. City of Chicago v. Marriott International, Inc., et al., Case No. 8:19-cv-00654 (D. Md.). On February 14, 2019, the City of Chicago (the "City") filed an action against MII under Section 2-25-090

of the Municipal Code of Chicago. The City sought declaratory relief, an injunction requiring MII to adopt additional data security measures, and payment of up to $10,000 per day for each alleged violation of the Code. The City also requested an order requiring MII to establish a fund to pay for monitoring of residents' information and other so-called precautions the city claims are necessary. On March 1, 2019, the JPML transferred this action to the District of Maryland, where it was litigated as part of the MDL and was assigned the individual case caption *City of Chicago v. Marriott International, Inc., et al.*, Case No. 8:19-cv-00654-PWG. In October 2025, the parties entered into a settlement agreement pursuant to which Marriott agreed to pay $5,800,000 and the parties filed a stipulated dismissal of the lawsuit, fully resolving the case.

3. Administrative Investigations. The Data Security Incident resulted in investigations by regulatory authorities in various jurisdictions, including the U.S., Canada, and Australia.

a. U.S. Investigations. Attorneys General from all 50 U.S. states and the District of Columbia (the "AGs"), the Federal Trade Commission, and certain committees of the U.S. Senate and House of Representatives have made inquiries, opened investigations, or requested information and/or documents relating to the Data Security Incident and associated matters. On October 9, 2024, MII announced that it had reached final resolutions with the Federal Trade Commission and AGs from 49 states and the District of Columbia relating to the Data Security Incident. The resolution with the AGs includes an agreement to pay a total of $52 million to be divided among the participating AGs. Those payments have been made. MII also agreed to continue implementing enhancements to its data privacy and information security programs, many of which are already in place or in progress. As indicated in the agreements with the FTC and the AGs, MII has made no admission of liability with respect to the underlying allegations.

b. Information Commissioner's Office in the United Kingdom (the "ICO") Action. In July 2019, the ICO issued a formal notice of intent under the U.K. Data Protection Act 2018 against MII in relation to the Data Security Incident. On October 30, 2020, the ICO issued a penalty notice under which it alleged that MII had infringed the EU General Data Protection Regulation and required MII to make a payment of £18.4 million (~$23.8 million at the time the notice was issued). MII paid the monetary amount did not appeal the ICO's decision. MII did not make any admission of liability in relation to the decision or the underlying allegations.

c. Turkish Personal Data Protection Authority ("KVKK") Action. Following an investigation into the Data Security Incident, the KVKK issued Decision No. 2019/143 on May 16, 2019. The KVKK imposed an administrative fine on MII in the amount of Turkish Lira 1.450.000 (~$33,000 as of March 12, 2026), which MII paid in full pending the outcome of its appeals. In December 2023, the Turkish Constitutional Court accepted MII's appeal of this amount and ordered the Criminal Court of Peace to conduct a retrial. On November 26, 2025, the Criminal Court of Peace dismissed MII's appeal against the original administrative fine. Without making any admission of liability in relation to the decision or the underlying allegations, MII has decided not to pursue any further appeals.

d. Canadian Office of the Privacy Commissioner ("OPC") Investigation. Following an investigation into the Data Security Incident, the OPC found that allegations against MII relating to the Data Security Incident were well-founded. The matter was conditionally resolved after MII agreed to conduct separate internal and external assessments of its corporate governance and security programs. MII submitted the assessments in April and May 2023, respectively. On July 25, 2023, the OPC closed the inquiry.

e. Office of the Australian Information Commissioner (the "OAIC") Investigation. Following an investigation into the Data Security Incident, the OAIC issued an Enforceable Undertaking on December 19, 2022. The Enforceable Undertaking includes injunctive provisions expiring in December 2027 that require MII to conduct two third-party independent assessments of its information security compliance program. The first assessment was completed in December 2023, and the second assessment was completed in December 2025. MII was not required to make any monetary payments as a result of the Enforceable Undertaking.

4. Canadian Actions. Following the disclosure of the Data Security Incident, 16 putative class action lawsuits were commenced in British Columbia, Alberta, Ontario, Quebec, and Nova Scotia. The putative class action lawsuits name as defendants variations of Starwood Canada ULC, MII, Starwood, Luxury Hotels International of Canada, ULC, and Marriott Hotels of Canada Ltd. The plaintiffs allege various claims, including negligence, intrusion upon seclusion, and breach of Canadian federal and provincial privacy statutes and consumer protection statutes. Some of the plaintiffs allege further or province-specific causes of action. The plaintiffs seek a combination of statutory, general, special, exemplary, punitive, and aggravated damages, including attorneys' fees and costs, in amounts to be proven at trial. The cases have been consolidated and are proceeding as a single case in Ontario. Plaintiffs sought to obtain a preliminary ruling from the court as to whether the tort of intrusion upon seclusion applies to their case. On January 17, 2022, the court held that the tort does not apply in data security cases. On November 25, 2022, the Court of Appeals affirmed the lower court decision, and the Supreme Court of Canada denied plaintiffs' petition to appeal in July 2023. MII and its affiliates dispute the allegations in the claim and intend to defend vigorously against it.

B. Destination, Resort, and Amenity Fees

A group of AGs representing all 50 states and the District of Columbia have been conducting an industry-wide investigation of the display of room rates and resort, destination and other mandatory fees ("Resort Fees") on hotel and online travel agency websites. MII is one of several lodging companies under investigation and has been cooperating. In November 2021, MII reached a resolution of all resort fee issues with the Commonwealth of Pennsylvania. That resolution resulted in a payment of $225,000 to the Commonwealth and an agreement to redesign its website so that resort fee information appears on the landing page. MII has subsequently reached similar agreements, but not including any payment, with Texas, Nebraska, and Colorado. The District of Columbia investigation remains open.

1. District of Columbia v. Marriott International, Inc., Case No. 2019 CA 004497 B (D.C. Super. Ct.). On July 9, 2019, the District of Columbia filed a lawsuit against MII in the Superior Court of the District of Columbia alleging violations of the District of Columbia's Consumer Protection Procedures Act ("CPPA"), D.C. Code §§ 28-3901, *et seq*. The District of Columbia sought an injunction, restitution, statutory civil penalties, and attorneys' fees and costs, in amounts to be proven at trial. Following the end of discovery, both parties moved for summary judgment. On August 18, 2025, the parties entered into a settlement and the parties filed a stipulated dismissal of the lawsuit, fully resolving the case.

C. Other Pending Actions

1. Portillo v. CoSTAR Group, Inc., Case No. 2:24-cv-00229, United States District Court for the Western District of Washington. On February 20, 2024, plaintiffs filed this putative class action lawsuit against CoSTAR and numerous hotel companies, including MII, Hilton, Hyatt, and others. The lawsuit alleges the unlawful sharing of information in violation of U.S. antitrust laws, focusing on the use of STR reports at luxury hotels in certain markets: Austin, Boston, Chicago, Denver, Kansas City, Los Angeles, Miami, Nashville, New York, Phoenix, Portland, San Diego, San Francisco, Washington D.C., and Seattle.

Plaintiffs seek treble damages of an amount to be determined at trial, injunctive relief, and attorneys' fees and costs. Marriott and the other defendants filed a joint motion to dismiss on May 17, 2024. Plaintiffs filed their opposition to the motion to dismiss on July 22, 2024, and defendants filed our reply on August 28, 2024. The motion to dismiss was granted without prejudice in August 2025, and plaintiffs then filed an amended complaint. Defendant's motion to dismiss the latest complaint was fully briefed as of January 6, 2026, and is pending with the court. MII intends to defend vigorously against plaintiffs' claims.

2. Segal v. Amadeus IT Group, S.A., Case No. 1:24-cv-01783 (United States District Court for the Northern District of Illinois). On March 1, 2024, plaintiffs filed this putative class action lawsuit against Amadeus and numerous hotel companies, including MII, Hilton, Hyatt, and others. The lawsuit alleges the unlawful sharing of information and price-fixing in violation of U.S. antitrust laws, focusing on the use of Amadeus's Demand360 at luxury hotels in over forty metropolitan markets in the U.S. Plaintiffs seek treble damages of an amount to be determined at trial, injunctive relief, and attorneys' fees and costs. Marriott and the other defendants filed a joint motion to dismiss on June 24, 2024. Defendants' motion to dismiss was granted without prejudice in March 2025, and plaintiff then filed a third amended complaint. Defendants' motion to dismiss the latest complaint was fully briefed as of August 27, 2025, and is pending with the court. MII intends to defend vigorously against plaintiffs' claims.

3. Hall v. Marriott, Case No. 22-CVS-00374, Superior Court of Forsyth County, North Carolina. On January 20, 2022, plaintiff Juateria Hall filed a civil suit against BPR Winston Salem LLC, the franchisee of a Residence Inn hotel in Winston Salem, North Carolina, the manager of the hotel, a front desk worker, and MII alleging negligence claims and seeking compensatory and punitive damages. In October 2024, a jury returned a verdict of $16 million against the franchisee, the manager and front desk worker, and MII (on an agency theory), jointly and severally. After the defendants filed a notice of appeal, the case was settled in September 2025.

4. Marriott International, Inc. v. Lucky Cleveland Holdings LLC, et al., Case No.01-24-0007-8067, American Arbitration Assoc. On September 18, 2024, MII filed an arbitration demand against a former franchisee, Lucky Cleveland Holdings, LLC, and its principals relating to the franchisee's failure to pay fees following termination of the franchise agreement. MII sought $1.8 million in unpaid fees, liquidated damages, and interest. In December 2024, MII filed a summary judgment motion, which was granted, and MII was awarded $1.95 million.

5. SRG Investment LLC v. Discover Card Services, Inc., J.P. Morgan Chase National Corporate Services, Inc., Marriott International, Inc., and Marriott Bonvoy Boutiques, LLC (19th Judicial District Court, Louisiana, No. C-76028032). The franchisee of the SpringHill Suites Baton Rouge South, SRG Investment LLC, filed suit against Marriott, Marriott Bonvoy Boutiques, LLC, J.P. Morgan Chase, and Discover Card Services alleging that the franchisee did not receive certain credit card proceeds for reservations booked through Marriott channels when the customer paid using Discover, with processing handled by Chase. The franchisee is seeking reimbursement of its losses, which are estimated to be between $250,000 and $500,000. Marriott denies any wrongdoing. Discovery closes on April 6, and Plaintiff's counsel has not required Marriott to respond to any discovery to date.

D. Concluded Actions

1. Rahman et al. v. Marriott International, Inc., No. SA CV 20-00654-DOC-KES. On March 31, 2020, MII notified guests of a property system incident involving guest information that may have been improperly accessed through the use of login credentials of two franchise employees at a franchise property ("Property System Incident"). The incident involved information for up to approximately 5.2 million guests. On April 3, 2020, plaintiff Arifur Rahman filed a putative class action alleging negligence and

related torts as well as violations of the California Consumer Privacy Act arising out of the Property System Incident. The plaintiffs sought injunctive relief, as well as damages, attorneys' fees, costs in amounts to be proven at trial. On January 13, 2021, the District Court dismissed the complaint with prejudice. The plaintiffs initially appealed that dismissal to the U.S. Court of Appeals for the Ninth Circuit. The plaintiffs and MII then settled the case and the appeal was dismissed.

2. HPT CY TRS, Inc. and HPT TRS MRP, Inc., v. Marriott International, et al. (Arbitration No. 01-20-0009-9886). Our affiliates Residence Inn by Marriott, LLC, TownePlace Management, LLC, Courtyard Management Corporation, Marriott Hotel Services, Inc., Essex House Condominium Corporation, and SpringHill SMC, LLC (collectively "Managers"), and Marriott International, Inc. ("Marriott," collectively with Managers "Marriott Respondents"), are named respondents in an arbitration filed by HPT CY TRS, Inc. and HPT TRS MRP, Inc. (collectively "Tenants"). The dispute pertains to a series of agreements covering a portfolio of hotels operated by Managers and owned by Service Properties Trust ("SVC," collectively with Tenants "Claimants"), the ultimate parent of Tenants. In the arbitration, Claimants sought: (1) to retain approximately $19 million in excess profit distributions made from portfolio property funds and (2) to obtain the return of approximately $40 million in working capital funds provided by SVC as required under the portfolio agreements for operating expenses of the hotels. The Marriott Respondents disputed Claimants' positions and filed counterclaims seeking declaratory relief on Claimants' claims and that SVC was in breach of the Exit Hotel Agreement for its failure to convert 16 hotels in the portfolio to Marriott branded franchise hotels (the "Franchise Conversion Hotels"). A five-day hearing on the merits took place in September 2021. Based on the claims as presented by the parties at the hearing, on January 19, 2022, the arbitration Tribunal issued its decision in which it (i) declined to award Claimants $19.1 million that Claimants claimed they were entitled to receive, (ii) declined to award Claimants the return of unused working capital for the Franchise Conversion Hotels and for one managed hotel in the portfolio; (iii) ordered the Marriott Respondents to pay $1,084,237 out of the termination reserves with respect to certain severance costs; (iv) held that SVC breached the Exit Hotel Agreement by failing to enter into franchise agreements for the Franchise Conversion Hotels, but declined to order specific performance and awarded nominal damages. The Tribunal also determined that the parties were to bear their own attorneys' fees and costs.

3. Jamil Rivera v. Marriott International, Inc. and International Hospitality Enterprises, Inc., 19-cv-01894-GAG (D.P.R.). On September 18, 2019, a putative class action was filed against MII and International Hospitality Enterprises, Inc. in the United States District Court for the District of Puerto Rico alleging that the Courtyard Isla Verde Beach `Resort in Carolina, Puerto Rico's practice of charging a resort fee as a percentage of the room rate unjustly enriches defendants. On December 5, 2019, the plaintiffs filed an Amended Class Action Complaint adding a claim for fraud in the formation of a contract. The plaintiffs seek disgorgement, restitution, actual damages, injunctive and declaratory relief, and attorneys' fees and costs, in amounts to be proven at trial. MII moved to dismiss the Amended Class Action Complaint on January 20, 2020. MII subsequently settled with the plaintiffs on an individual basis.

4. Robert Puleo v. Marriott International, Inc., International Hospitality Enterprises, Inc., and Condado Duo, La Concha, SPV, LLC, 19-cv-01893-WGY (D.P.R.). On September 20, 2019, a putative class action was filed against MII, International Hospitality Enterprises, Inc., and Condado Duo, La Concha, SPV, LLC in the United States District Court for the District of Puerto Rico alleging that the La Concha Renaissance San Juan Resort in San Juan, Puerto Rico's practice of charging a resort fee as a percentage of the room rate unjustly enriches defendants. On December 5, 2019, plaintiffs filed an Amended Class Action Complaint adding a claim for fraud in the formation of a contract. The plaintiffs seek disgorgement, restitution, actual damages, injunctive and declaratory relief, and attorneys' fees and costs, in amounts to be proven at trial. MII moved to dismiss the Amended Class Action Complaint on January 13, 2020. MII subsequently settled with the plaintiffs on an individual basis.

5. Cityfront Hotel Associates Limited Partnership, et al. v. Starwood Hotels & Resorts Worldwide, Inc., et al., (Supreme Court of the State of New York, County of New York, Case No. 652521/2016). On May 10, 2016, the owners of the Sheraton Grand Chicago hotel and the Westin Times Square New York hotel filed suit in the Supreme Court of New York against Starwood and MII, seeking to enjoin the merger. Among other claims, the plaintiffs alleged that: (i) MII's acquisition of Starwood would breach certain territorial restrictions contained within the management agreements for the two hotels; (ii) Starwood committed various breaches of the management agreements for the hotels (including anticipatory breaches), and breaches of fiduciary duty; and (iii) MII aided and abetted Starwood's breaches, and engaged in tortious interference with the hotel owners' agreements with Starwood. The plaintiffs also alleged unjust enrichment, and sought damages in an unspecified amount. On May 23, 2016, the plaintiffs moved for a temporary restraining order to enjoin the merger, which the court denied on May 24, 2016. On June 1, 2016, the court denied the plaintiffs' motion for a preliminary injunction. On June 13, 2016, the plaintiffs appealed to the New York Appellate Division, First Department, and sought emergency injunctive relief. On June 27, 2016, the New York Appellate Division denied the plaintiffs' efforts to enjoin the merger, and the plaintiffs' subsequent appeal was also dismissed. On June 14, 2017, the parties entered into a confidential settlement that includes a contingent purchase obligation granting the owner of the Sheraton Grand Chicago hotel a one-time right, exercisable in 2022, to require us to purchase the Sheraton Grand Chicago hotel for $300 million, and a guarantee to provide operating support up to a maximum amount of $65 million. Subsequently, the case was dismissed.

6. Todd Hall v. Marriott, International, Inc., Case No. 19-cv-1715-JLS-AHG (S.D. Cal.). On September 9, 2019, a putative class action was filed against MII in the United States District Court for the Southern District of California alleging violations of the Consumers Legal Remedies Act, Cal. Civ. Code §§ 1750, *et seq*., the False Advertising Law, Cal. Bus. & Prof. Code §§ 17500, *et seq*., and the Unfair Competition Law, Cal. Bus. & Prof. Code §§ 17200, *et seq.*, as well as unjust enrichment. On November 22, 2019, the plaintiffs filed a First Amended Class Action Complaint adding claims for negligent misrepresentation, concealment/non-disclosure, and intentional misrepresentation. MII moved to dismiss the First Amended Class Action Complaint on January 10, 2020. On December 8, 2020, the plaintiffs filed a Second Amended Class Action Complaint adding additional named plaintiffs, and MII filed an answer to the Second Amended Class Action Complaint on February 22, 2021. The plaintiffs sought an injunction, disgorgement, restitution, actual and statutory damages, and attorneys' fees and costs, in amounts to be proven at trial. In April 2022, MII moved for summary judgment and plaintiffs moved for class certification. On March 30, 2023, the court granted in part and denied in part MII's motion for summary judgment and granted in part and denied in part plaintiffs' motion for class certification. On July 13, 2023, plaintiffs filed essentially the same complaint in the San Diego County Superior Court, asserting claims under the Consumers Legal Remedies Act, California's False Advertising Law, California's Unfair Competition Law, and seeking injunctive relief. The parties reached a settlement agreement, pursuant to which Marriott agreed to pay the two named plaintiffs $5,000 each (for a total of $10,000), to pay $65,000 to partially reimburse plaintiffs' counsel for their litigation costs, to make certain modifications to its website, and to remind its hotels of its resort fee policy. In July 2024 the court approved the settlement and dismissed the case.

ITEM 4

BANKRUPTCY

No bankruptcy is required to be disclosed in this disclosure document.

ITEM 5

INITIAL FEES

1. Application Fees and Related Fees

A. Application Fees

1. **New-to-System The Luxury Collection Hotel.** The franchise application fee for a new-to-system The Luxury Collection hotel, including the conversion of a non-Company Brand Hotel to a The Luxury Collection hotel, is $100,000 *plus* $400 per guestroom in excess of 250 guestrooms.

2. **Existing The Luxury Collection Hotel.** The franchise application fee for an existing The Luxury Collection hotel or to convert a hotel that is currently managed by us or one of our affiliates to a franchised The Luxury Collection hotel is the greater of $150,000 or $500 per guestroom.

Franchise application fees are generally payable in full at the time you submit your franchise application and are non-refundable upon approval of your application. If you withdraw an application before it is approved, or if your application is not approved, we will refund the application fee for each unapproved hotel, less $10,000 per unapproved hotel and our outside counsel fees and expenses.

B. Other Fees That May Apply to Your Transaction

1. **Outside Counsel Costs.** If you are submitting an application for an existing The Luxury Collection hotel or converting a hotel that is currently managed by us or one of our affiliates to a franchised The Luxury Collection hotel, we will engage outside counsel in connection with the transaction, and you will be required to pay our outside counsel costs directly to our outside counsel prior to closing. If your hotel project is approved with a residential, condominium, or multi-family component, we will engage outside counsel in connection with the transaction, and you will be required to pay our outside counsel costs directly to our outside counsel prior to closing. These costs are payable and non-refundable, regardless of whether the transaction closes.

2. **Extension Fees.** We may permit franchisees of new-build and conversion projects to automatically extend their construction start deadlines on a rolling 30-days basis, without assessing any extension fees. Any automatic extension of the construction start deadline will also extend the hotel opening deadline by the same amount of time. The automatic extensions will not apply to the term or duration of any restricted territory granted to you under the franchise agreement (see Item 12). We may freeze automatic extensions at any time with 60 days' notice to you. If you wish to extend the opening deadline after you have started construction, or if you wish to extend a construction start deadline after we have given you written notice freezing automatic extensions, you must submit a written request for an extension and pay a $10,000 extension fee. No extension will be granted for more than six months. If we do not approve your request, we will refund the $10,000 you submitted.

2. Pre-Opening Fees

Listed below are certain estimated one-time non-refundable fees and reimbursements (excluding certain travel and related expenses) that you will pay to us on demand to open a The Luxury Collection hotel. We may require you to prepay certain of these expenses. If you are acquiring or converting an existing hotel, your pre-opening fees and costs will vary depending upon, among other things, the systems in place and experience of personnel that are retained at the time of acquisition or conversion.

A. Computer Hardware and Software Systems

The amount payable to us or our approved vendors for pre-opening technology planning and installation services associated with the implementation of the property management, reservation, yield management, and sales and catering systems generally ranges from approximately $173,000 to $278,000.

If you sign a franchise agreement for an existing The Luxury Collection hotel or for a new-to-system hotel to be opened in 2026, you may be required to implement our legacy approved property management, reservation, and yield management systems and transition to the new systems in 2027. The amount payable to us or our approved vendors in connection with the implementation of the legacy systems ranges from $133,000 to $225,000. The cost of transitioning from the legacy systems to the new systems is estimated to range from approximately $19,960 to $30,785 per hotel, plus $223 to $282 per guestroom at the hotel. The transition process will consist of a series of key milestones that you must complete in a timely manner (approximately 10 milestones). If you fail to timely complete any key milestone in the transition process, we may charge you a fee ranging from $7,000 to $20,000 per milestone to address administrative, coordination, and operational impacts, and we may complete the milestone on behalf of the hotel. Hotels participating in revenue management advisory services must pay an additional $2,700 for revenue management advisory services associated with the transition.

These estimates do not include amounts payable to third parties (either directly or paid to us and remitted to third parties on your behalf) for hardware, software, installation, and training for the above systems or for other computer systems recommended or required for your hotel or amounts payable to us for other recommended computer systems. The costs for such systems are subject to change. See Item 11 for a detailed description of our required and recommended computer systems. Depending on the number of guestrooms and interfaces at your hotel, your costs may exceed these estimates. Optional hardware or additional services may be available at an additional cost.

If you desire to convert your hotel to a The Luxury Collection hotel and an expedited proposed opening date has been agreed to by us, you may request that Marriott procure certain hardware, software, and other computer systems on your behalf, and provide training and services before we execute a franchise agreement. In such event, you will be required to sign a letter agreement substantially in the form attached as Exhibit O.

B. Pre-Opening Training and Services

The cost of pre-opening training and services provided by us is estimated to be approximately $100,000. This estimate includes the cost of: training on the use of the property management system, management and executive training, virtual and on-site pre-opening training of approximately 5 to 10 days, the opening authorization process, associate orientation materials, pre-opening operations and sales and marketing support, pre-opening revenue management/reservation system rate loading and consultation, up to one post-opening hotel site visit which we may conduct at our discretion, and the travel, meal, and lodging expenses for our trainers, which you must pay. The cost is subject to change annually and is non-refundable. The estimate above excludes, and you must pay for the cost of, wage, travel, meal, and lodging expenses incurred by you and your designated attendees to complete training programs that are not conducted on site. The total cost of pre-opening training and services may vary based on the size and location of your hotel, your experience and the experience of your staff, and prevailing wage, travel, and lodging costs.

You must retain a general manager and sales directors/managers at least nine to twelve months prior to hotel opening to participate in pre-opening training and to prepare the hotel for opening. Certain

pre-opening training and support, such as sales, marketing, and operations support, may take place 90 to 120 days prior to opening date of the hotel.

On-site revenue management support and training generally lasts an average of three days for new build hotels and five days for conversion hotels. If conversion of system data is required, or if you request additional training in revenue management, reservations, or the yield management system, you will be charged $1,250 per day for such services and must reimburse us for the travel, meal, and lodging expenses of our support personnel.

We will provide Brand Immersion training for general managers at a cost of $4,000 per person.

In addition:

1. We will provide Brand Immersion training for general managers at a cost of $4,000 per person.

2. We will develop an enhanced on-platform webpage for the hotel at a cost of approximately $5,500. You may develop a custom off-platform website for your hotel that meets with our standards. You may, but are not required to, retain us to develop your hotel's off-platform website at a cost generally ranging from $15,000 to $35,000.

3. We will provide optional pre-opening marketing and digital support during the period commencing six months prior to the opening of the hotel and ending three months after the opening of the hotel at a cost generally ranging from $9,500 to $15,500, depending on the size and location of the hotel and the hotel's overall marketing and digital needs. This amount includes website optimization on Marriott.com, assistance in the design of basic marketing collateral for the hotel, paid media set-up with budget recommendations, access to our brand voice guidelines, consultation on grand opening events, and related consultation and support with respect to marketing (including digital marketing) and advertising the opening of the hotel.

4. New-to-Marriott franchisee executives must attend Executive Orientation at least 12 months prior to the hotel's opening date. You must pay our then-current fee for Executive Orientation, presently $795 per person.

If you desire to operate your new-to-system hotel but we determine that you are not qualified to operate a system hotel without additional training, you must participate in the Franchisee Introduction to Marriott program ("FITM"). FITM includes executive-level virtual and in-person meetings and self-paced training on the use of Marriott programs, systems, and services. You must pay our then-current FITM enrollment fee, presently $40,000, at least 10 months before the hotel opening deadline set forth in your franchise agreement. Alternately, if we determine that you are qualified to operate the hotel, but are unfamiliar with the system, we may require you to participate in the Franchisee OnBoarding for New Development program ("FOND"), through which we provide executive-level, virtual, self-paced training on the use of Marriott programs, systems, and services. You must pay our then-current FOND enrollment fee, presently $20,000, at least 10 months before the hotel opening deadline set forth in your franchise agreement. Franchisees that participate in FITM or FOND must also undergo one non-accountable health assessment and, for a period of two years, participate in the Revenue Management Advisory Services program, the Customer Engagement Center Property Support Services program, the Digital Marketing program, and the sales programs we specify, at an additional cost. See Items 6 and 11 for more information regarding these programs. You may incur additional fees and costs or be required to retain a third-party management company if you do not complete these programs in the time frame specified

by us. The immersion and orientation training programs, as well as FITM, will be provided at the location we designate. See Item 11 for additional details regarding these and other training and related fees and costs that may apply to your hotel (and residences, if applicable) prior to opening.

C. Pre-Opening Training and Services for Residences

If your hotel has a residential or condominium component, we will provide up to 14 days of on-site and/or virtual training relating to our standards before the opening of the residential or condominium component of the hotel. We anticipate that the cost of pre-opening training will range from $18,500 to $23,500. In addition, your executives and the executives of your management company must complete Residential Executive Orientation at least 12 to 14 months prior to the opening of the residential or condominium component. You must pay our then-current fee for Residential Executive Orientation, presently $10,000. In addition, you must pay for the travel, meal, lodging, and other costs for required executives to attend the Residential Executive Orientation.

3. Fees for Conversions, Transfers, and Relicenses

A. Property Improvement Plan and Independent Hotel Brand Assessment

When converting a hotel (including another Company Brand Hotel) to a The Luxury Collection hotel, transferring an existing The Luxury Collection hotel, or converting a hotel that is currently managed by us or one of our affiliates to a franchised The Luxury Collection hotel, as set forth in Item 6, you must pay a property improvement plan fee of $16,000 for us to review the hotel to determine the renovations necessary to bring the hotel into good repair and to conform the hotel to Marriott's then-current standards and prepare a property improvement plan ("PIP"). Payment is due when the review is requested. In addition, you may incur the Design & Construction Review Services fees described in Item 6. If your franchise application for a conversion hotel is approved, you will also be required to pay a pre-conversion food and beverage sanitation audit fee of $2,500. The audit is conducted by a third party we retain, and the fee charged to you for the audit may change if the fee charged to us by the auditors changes. You must pay us upon receipt of the invoice. PIPs are effective for a period of 12 months after issuance. If you request revisions or modifications to a PIP prior to its expiration, you must pay to us a fee of $5,000 to review the proposed revisions or modifications. You must pay to us a fee of $8,000 to refresh a PIP that is 12 months past its initial issuance date. If a PIP is 24 months past its initial issuance date, you must pay to us a fee of $16,000 to issue a new PIP. These fees are non-refundable.

If you are converting an existing hotel to a The Luxury Collection hotel, we will conduct an Independent Hotel Brand Assessment to determine the hotel branding and guest experience improvements necessary to affiliate the hotel with The Luxury Collection system. We reserve the right to charge you a fee for conducting the Independent Hotel Brand Assessment, but such fee will not exceed $5,000. If we charge you a fee, payment is due when the assessment is conducted, and it is non-refundable. This fee is in addition to the fee to prepare a PIP discussed above. If we determine that the hotel's existing brand positioning is not consistent with the brand, you may be required to expand or develop a new brand positioning concept or strategy with an approved branding agency.

B. Support and Training Services for Purchasing or Converting Existing Company Brand Hotels

When converting another Company Brand Hotel to a The Luxury Collection hotel, purchasing an existing The Luxury Collection hotel, or converting a hotel that is currently managed by us or one of our affiliates to a franchised The Luxury Collection hotel, we will assign a transition manager. In addition, we will assess the hotel and provide training and services if we deem it necessary or desirable

based on the experience level and prior training of you or your management company. Certain franchisee personnel may be required to attend (i) Executive Orientation, or other prescribed classes, and (ii) sales and marketing meetings at the hotel to analyze or assist in sales efforts. You will also be required to train your new managers and staff (or their replacements) and incur those costs as described in Item 11. We estimate that the costs for on-site classes, training services, and relicensing assistance (not including reimbursement for Marriott personnel's travel, meal, and lodging expenses) generally will range from $5,500 to $15,000 if you are purchasing an existing The Luxury Collection hotel or converting a hotel that is currently managed by us or one of our affiliates into a franchised The Luxury Collection hotel. For all other conversions we estimate that the cost of the support and training services will range from $50,000 to $175,000, depending on the size of the hotel, the length of time the hotel has been closed (due to renovations or otherwise), your experience and familiarity with the system, and the experience of the hotel staff.

In addition, if you desire to operate your hotel but we determine that you are not qualified to operate a system hotel without additional training, you must participate in the FITM program for open hotels ("FITM-R"), the cost of which is currently $60,000 and must be paid when you execute the franchise agreement. If we determine that you are qualified to operate the hotel, but are unfamiliar with the system, we may require you to participate in the Above-Property Immersion program ("API"), through which we provide several executive-level webinars and virtual, self-paced training to familiarize your executive team with the system. You must pay our then-current API enrollment fee, presently $20,000 for up to 4 participants at one time, when you execute the franchise agreement. Franchisees that participate in FITM-R or API must undergo one non-accountable audit, at an additional cost. Franchisees that participate in FITM-R or API may also be required to participate in the Revenue Management Advisory Services program, the Customer Engagement Center Property Support Services program, the Digital Marketing program, and the sales programs we specify, at an additional cost. See Items 6 and 11 for more information regarding these programs. You may incur additional fees and costs or be required to retain a third-party management company if you do not complete these programs in the time frame specified by us.

The ranges above exclude, and you must pay for the cost of, travel, meal and lodging expenses incurred by you and your designated attendees to complete training programs that are not conducted on site, such as orientation and immersion training.

4. Fees for Other Services

A. Design and Construction Review Services

We will make our standard design and construction criteria available to you and conduct up to three hotel assessments at no cost to you to ensure that your hotel is constructed and designed in accordance with our standards. If we determine that additional pre-opening hotel assessments are necessary, you may be required to pay our then-current charge per hotel assessment, presently $1,500**.** In addition, if your hotel includes a residential, condominium, or multi-family component, we will conduct up to two additional pre-opening project assessments, and you must pay our then-current charge per project assessment, presently $1,500. These amounts are payable on demand and are not refundable**.**

You may request additional services from Marriott Design & Construction in connection with the design and construction of your hotel to assure compliance with our standards. Your use of these services is voluntary. The cost of these services varies depending on the services you request. In some cases, we may require you to execute a written agreement detailing the full scope of services to be performed and the related cost. We do not refund these fees.

We will make available to you a list of interior design firms recommended for system hotels. If you propose an interior design firm that is not on our list of recommended design firms, then we

will require you to pay a $2,500 fee to review your proposed design firm and its prior work experience on similar projects. We will consider up to two design firms. If we determine that your proposed firm does not possess similar experience or capabilities as those firms on our recommended list, we may still consent to your proposed firm, but we will charge an additional fee of $50,000 for the additional time spent by us during the design and construction or conversion process. We may require you to retain additional consultants to advise on the design and concept of food and beverage outlets, spas, fitness centers, and other amenities at the hotel.

We will conduct one pre-opening hotel assessment at our expense to verify that it complies with our then-current fire protection and life safety standards. If any additional assessments are required, you will be charged our then-current fees and charges. See Item 6.

B. Optional Purchasing and Supply Arrangements

As described in Items 1 and 8, you and other franchisees may voluntarily purchase various products and services under the arrangements negotiated by us and our subsidiaries. Marriott Design & Construction charges for its procurement services. In 2025, we expect our procurement charges for these services will be: (i) for furniture, fixtures, and equipment, the greater of $3,500 or approximately 4.5% to 5% of the cost of the products and services provided; and (ii) for hotel opening operating supplies and equipment, the greater of $10,000 or approximately 4.5% to 5% of the cost of the products and services provided. MIP Americas does not presently charge for its procurement services. Instead, MIP Americas retains a portion of rebates received in connection with your purchases to cover the costs of providing such procurement services. These amounts are subject to change and are not refundable.

C. Other Fees

Depending on the circumstances, certain of the fees discussed in Item 6 under the heading "Operations" may also apply to your hotel prior to opening. Such fees are noted with a statement in the "Remarks" column in Item 6.

NOTE:

We may consider exceptions to our standard application fees and other initial fees in certain circumstances. Factors that we may consider include: (i) market penetration opportunities, (ii) the location, (iii) the size of the hotel, (iv) the economic and financial environment, (v) the cost to the franchisee to complete the conversion of an existing hotel, (vi) whether our reducing a portion of the fee would aid in the successful development or conversion of the hotel, (vii) whether the franchisee is willing to commit to playing an active role in growing the system, and (viii) any other relevant factors. These factors also may be taken into consideration in determining the amount of any fees charged in connection with a residential, condominium, or multi-family project.

ITEM 6

OTHER FEES

UNLESS OTHERWISE NOTED, ALL PROGRAMS ARE MANDATORY, AND ALL FEES ARE MANDATORY, NON-REFUNDABLE, UNIFORMLY IMPOSED, PAYABLE ONLY TO US, AND IMPOSED AND COLLECTED BY US, AND ALL ARE SUBJECT TO CHANGE.

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
General			
Franchise Fees[1,2,3]	5% of gross room sales	Payable by the 15th day after the end of each month	This fee is as set forth in your franchise agreement.
Program Services Contribution[4]	An amount equal to: 1.92% of gross room sales (which includes a contribution to the Marketing Fund of 1% of gross room sales); plus. $38,488 per year; plus $450 per guestroom per year	Payable by the 15th day after the end of each month	The Program Services Contribution covers the cost of certain programs, systems, and services, as described in Note 4 below.
Sales & Marketing[5]			
Loyalty Program[6]	An amount equal to 4.2% (reduced to 4.0% through December 2027) of qualifying revenue generated by customers earning loyalty points or miles; *plus.* 1% of qualifying event revenue for select group events and catering events, up to a maximum charge of $300 per group or catering event.	On demand	You may be required to offer additional discounts, services, amenities, and loyalty points to certain tiers of loyalty members staying at your hotel at your expense. The cost to purchase additional loyalty points currently ranges from $2.75 to $5.50 per 1,000 loyalty points, depending on the total quantity purchased.
Revenue Management[7] • Revenue Management Advisory Services	 $1,240 to $7,000 per month, plus a one-time set-up fee that ranges from $3,500 to $5,000.	On demand	Participation in one of our designated revenue management programs is generally optional, but may be required in certain circumstances, including if: (i) you do not have a revenue manager who has successfully completed our designated

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
• Cluster Revenue Management and Revenue Management Advisory Services Signature Tiers	Varies		certification programs; (ii) you or your management company is new to Marriott (experience operating hotels under agreements signed with Starwood prior to the merger does not apply); or (iii) we require your participation in FITM, FITM-R, FOND, or API. If applicable, we generally require at least two years of participation in our revenue management programs. Add-on services are available at an additional cost.
Area Sales and Multi-Hotel Sales[8]	Varies	On demand	Participation in these programs is optional. You must execute a service agreement to participate in these programs.
Account Sales • Group Lead	4.0% of gross group room revenue (reduced to 3% of gross group room revenue if an intermediary is involved in generating the lead). For purposes of calculating this fee, gross group room revenue is 90% of the total room revenue stated in the group's contract or letter of intent with the hotel. This fee will not exceed $12,000 per booking (or $30,000 per booking if the hotel is a convention/resort hotel).	On demand	Account Sales generates these business opportunities. Acceptance of the lead is voluntary. You only pay if you accept the lead and the group books at your hotel. We may refund Account Sales fees in limited circumstances, subject to the terms of our then-current refund policy.
Business Transient (BT) Booking[9]	$130 to $309 per month, depending on the number of guestroom nights that are centrally reserved for your hotel through the Account Sales organizations during the immediately preceding calendar year	On demand	An optional Business Transient (BT) Plus program that includes airline, TMC/Consortia, and wholesale segment support is available for an additional $371 per month.
Customer Engagement Center ("CEC") Property Support Services ("PSS")	The cost of this program is	On demand	This program allows hotels to transfer customer telephone calls and other communications to our

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
	allocated among participating hotels. In 2026, the fee is estimated to be as follows (subject to periodic true-ups as set forth in your CEC PSS Agreement): $5.05 to $5.30 per call plus $41.70 to $43.80 per hour for other PSS.		CECs for processing. If you participate in CEC PSS, you must comply with our then-current call forwarding guidelines. You will be charged these amounts for all calls processed by our CECs that were forwarded by the hotel. CEC PSS rates are adjusted annually based on a variety of factors, including prevailing wage rates and call volumes. This charge may be computed on a different basis in the future. Participation in this program is generally optional, but may be required in certain circumstances, including if you or your management company is new to Marriott. To participate, you must execute a CEC PSS Agreement (see Exhibit K).
National Group Sales			Acceptance of the lead is voluntary. You only pay if you accept the lead, and the business opportunity books at your hotel. These fees may be refunded or adjusted for certain cancellations or modifications within designated periods, consistent with our then-current policies.
• Group Lead	$2.30 per room night booked	On demand	The Group Lead fee applies to business opportunities for groups of 10 or more rooms, including single-night opportunities.
• Catering Lead	$143.00 per catering opportunity booked	On demand	
• Extended-Stay Lead	$2.30 per room night booked	On demand	
Group Demand Generation	$1.00 per group room night booked	On demand	This charge applies to each reservation made utilizing a group intermediary, including reservations made through National Group Sales and the Global Sales Organization, and is in addition to the other fees

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
			described in this Item 6. Acceptance of the lead is voluntary. You only pay if you accept the lead and the group books at your hotel.
International Sales Teams • Group and/or Sales and Catering Lead	Varies, approximately 6% of gross group room revenue and/or catering revenue, as applicable	On demand	International sales teams may make group leads available to the hotel. Acceptance of a lead is voluntary. You only pay if you accept the lead and the group books at your hotel.
Cooperative Advertising and Marketing Initiatives[10]	Varies	On demand	You must participate in the cooperative advertising programs and marketing initiatives designated by us.
Gift Cards[11]	Varies	On demand	
Intermediary Payments and Centralized Travel Agent Commission ("CTAC")[12]	Varies	On demand	This program facilitates the payment of commissions to intermediaries, such as travel agencies, travel management companies, online travel agencies, and group intermediaries. We may offer optional programs at an additional cost. You may be required to "opt out" of certain optional programs if you do not wish to participate.
Marriott Digital Services[13]	Varies depending on the product or service selected	On demand	Marriott Digital Services offers a variety of marketing, digital, and ecommerce products and services to Company Brand Hotels. You must pay our then-current fees for the products and services that you select. Participation in this program is generally optional, but may be required in certain circumstances, including if you or your management company is new to Marriott.
Marketing Project Support	Varies depending on the product or service selected	On demand	Through this optional program, we offer a variety of marketing project support products and services to Company Brand

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
			Hotels. You must pay our then-current fees for the products and services that you select.
Enhanced On-Platform Website Maintenance	$125 per month	On demand	We will develop and maintain a standard (core) webpage for your hotel on our designated web platform at no cost to you. You will incur this charge if you request an optional enhanced (narrative) on-platform webpage for your hotel.
Transaction-Based Media Program[14]	8% of applicable gross room revenues, not to exceed $200 per stay	On demand	You pay only if the guest stays at the hotel.
Stars	$1,495	Annually	This optional program markets the hotel to participating luxury travel sellers and guests. You may be required to offer discounted stays or complementary services and amenities to Stars members that stay at your hotel. You may "opt out" if you do not wish to participate in this program. Add-on services to this optional program may be available at an additional cost.
Above Property Guest Pre-Stay Contact	Estimated at $3.50 per arrival	As incurred.	This optional program allows pre-stay communications to be handled by Guest Liaisons at our CECs.
Technology[5]			
LightSpeed Upgrades/Training	$15,000 to $25,000, depending on the size of your hotel and its technology requirements	On demand	If additional training or database management is needed in connection with an upgrade, you are responsible for the travel, meal, and lodging expenses of the training personnel.

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
Point-of-Sale ("POS") System	$17 to $30 per month per POS workstation for software, technical support, and "patching" services.	On demand	You must use the POS system that we designate. These amounts include the cost of "patching services," through which required security upgrades and system-optimizing upgrades are installed on the POS system. Optional add-on functions may be available at an additional cost.
Property Management System ("PMS") Application Patching	$210 to $220 per month	On demand	This charge covers the cost of "patching services," through which required security upgrades and system-optimizing upgrades are installed in the PMS.
Microsoft Office 365[15]	Varies	On demand	
Continent Field Support	$7.34 to $13.75 per device per month	On demand	Continent field support is a centralized support service for certain required electronic systems. The Program Services Contribution covers the cost of this support service for up to 13 devices. We may assess this charge on a per-user, per-hotel, or other basis in the future.
Information Security Managed Detection and Response Services[16]	$34.80 per device per year	On demand	You must purchase endpoint detection response software ("EDR") and use a managed detection and response service ("MDR") to monitor endpoints for suspicious activity. The EDR and MDR must comply with our standards. If you use our approved vendor, the Program Services Contribution will cover the cost of EDR and MDR for up to 12 devices. If you choose to use an alternate vendor, you must provide us with periodic certifications that you have obtained compliant EDR and MDR for every device at your hotel that accesses guest data.
Off-Platform Website	Varies based on the size and complexity of the website. You may choose from one of two payment options:	On demand	You may retain us to develop and maintain a custom, off-platform website for your hotel. This charge covers the ongoing cost to host and maintain the off-

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
	• $15,000 to $35,000 one-time cost to build *plus* a monthly hosting charge of $500 to $800; or • Monthly subscription of $950 to $1,700 per month		platform website. You must provide us with content for the website, at your expense. You are prohibited from maintaining any unauthorized off-platform website and will be charged $100 per day such unauthorized website is live. Your off-platform website must comply with our standards and applicable law.
Credit Card Processing	$0.047 per settlement transaction for credit card processing	On demand	This amount includes the cost of authorization, settlement, and tokenization for each credit card transaction.
PC and Server Management	$3.34 to $19.18 per computer per month (depending on the type of computer and its configuration) $28.13 to $119.03 per server per month	On demand	These amounts cover select software costs and Marriott support costs for computers and servers that are on the Marriott network or that access Marriott applications. Optional add-on services may be available at an additional cost.
Mobile Device and Application Management and Mobile Application Access	$2.75 to $4.50 per month	On demand	This program allows authorized users to access Marriott email accounts and certain other Marriott applications on mobile devices.
Mobile Key Software	$8 to $13 per guestroom per year for Mobile Key software and support	On demand	Mobile Key software allows guests to unlock guestroom doors using our mobile application. We will remit the entire fee on your behalf to the lock system software vendor. Presently, lock system software must reside on a dedicated server that meets the needs of the property, as specified by the lock vendor.
Interactive Voice Response	$150 to $1,000 per year	On demand	This optional program allows housekeeping associates to report guestroom defects to hotel engineers through guestroom telephones.

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
Operations[5]			
Audit Program	The annual cost to participate in the Audit Program is covered by the Program Services Contribution.	On demand	The Audit Program evaluates the hotel's compliance with brand and operational standards. The Program Services Contribution covers the annual cost to participate in the Audit Program. Audits may be conducted, in whole or in part, at the hotel or virtually. If we conduct any portion of an audit at the hotel, you must also provide the inspector(s) with complimentary lodging at the hotel, meals, incidentals, and other services required as part of the audit, plus costs that we incur in connection with any audits that are cancelled by you. We may change the frequency of audits.
Red Zone	$25 to $100 per guestroom if your hotel falls into Red Zone 2 or higher in any quality assurance tracking period (up to a maximum charge of $50,000 each six-month quality assurance tracking period), *plus* $2,500 for each in person or virtual meeting that we may require.	On demand	Your hotel will be placed in a quality assurance "performance zone" each quality assurance tracking period. In addition to the Red Zone charge, if the hotel fails certain portions of the quality assurance audit, we may require you to participate in supplemental training and sales and marketing programs, at your expense. The cost of supplemental training and sales and marketing programs is described in Items 6 and 11. You must also allow us to conduct on-site visits, at your expense. This charge will apply in addition to any other rights or remedies that we may have under the franchise agreement, including the right to terminate the franchise agreement.
Audit Program/ Guest Experience and Accountability Program	Our then-current fee, presently $20,000 for up to 10 participants, plus $10,000 for up to an additional 10 participants	On demand	If the hotel, or any other Company Brand Hotel operated by you, your affiliates, or your management company, is placed in Red Zone in any quality

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
			assurance tracking period, we may require you to participate in this semi-annual program.
Food Safety Re-Assessment	$1,350 to $1,500 per re-assessment	On demand	This fee is charged under the quality assurance program for each re-assessment of the hotel triggered by a failed food safety audit or by failure to self-report the resolution of non-compliant food safety items. A hotel will undergo an unannounced re-assessment within 30 to 90 days after the last failed assessment until it receives a passing score.
Fire Protection and Life Safety Re-Assessment (Audit Program-related)	$315 to $700 per re-assessment	On demand	This fee is charged under the quality assurance program for each re-assessment of the hotel triggered by failure to self-report the resolution of non-compliant fire/life safety items during an audit or a re-assessment. A hotel will undergo an unannounced re-assessment within 30 to 90 days after the last failed assessment until it self-reports that the non-compliant items have been corrected within the required time frame.
Property Improvement Plan ("PIP")	$16,000	At time of request	This fee is charged if we issue a PIP for any reason, including: if you are converting an existing hotel (including another Company Brand Hotel) to a The Luxury Collection hotel; if you are transferring a Marriott hotel; or if you are converting a hotel that is currently managed by us or one of our affiliates to a franchised The Luxury Collection hotel. See Item 5.
PIP Revision or Modification	$5,000 per revision or modification	On demand	This fee is charged if you request revisions or modifications to a PIP prior to its expiration.
Expired PIP Refresh	$8,000 to refresh a PIP that is 12 months past its issuance date; $16,000 to re-issue a PIP that is 24 months past its initial	On demand	PIPs are effective for a period of 12 months after issuance.

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
	issuance date.		
Design & Construction Review Services	$20,000	On demand	This fee is payable in connection with our review of your work to complete: a PIP if you are acquiring a The Luxury Collection hotel or renewing or relicensing a franchise agreement for a The Luxury Collection hotel; a PIP if you are converting a hotel that is currently managed by us or one of our affiliates to a franchised The Luxury Collection hotel; or a periodic renovation of the hotel as required by the standards.
Interior Design Firm Screening and Coordination	$2,500 per screen of interior design firm, plus $30,000 to $50,000 if you retain a non-recommended interior design firm	On demand	If, in connection with new-build project, PIP or renovation, you propose an interior design firm that is not on our list of recommended interior design firms, you must pay to us $2,500 for an initial interior design firm screen. If we do not recommend your proposed firm, you may propose another firm and pay to us another $2,500 fee for a second screen. If you retain an interior design firm that is not recommended by us, you must pay to us: (i) in connection with a soft goods renovation or PIP, $30,000; or (ii) in connection with a new-build project or case goods renovation or PIP, $50,000.
PIP Non-compliance (Relicensing Transactions Only)	1% of gross room sales per month for each month that completion of the PIP is delayed	On demand	This amount is payable if, in connection with a relicensing transaction, you fail to satisfactorily complete a PIP by the deadline for overall completion set forth in the PIP. The charge will be in addition to any other rights or remedies that we may have under the franchise agreement.
PIP and Renovation Non-Compliance	$20,000 per re-evaluation	On demand	If your hotel is subject to a PIP or periodic renovation, we will conduct an evaluation to confirm that the PIP or periodic

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
			renovation was timely completed to our satisfaction. If the PIP or renovation is not completed to our satisfaction, we will charge this fee for each additional re-evaluation of the project that we perform until the PIP or renovation is completed to our satisfaction. You must also provide complimentary lodging at the hotel for the inspector verifying completion of a PIP or renovation.
Facilities Services	Varies depending on services requested	On demand	Through this optional program, Marriott provides proactive and reactive maintenance and repair services to mechanical equipment at Company Brand Hotels. The service is available in select markets, subject to the availability of personnel. You must sign a service agreement to participate in this program.
Advisory Services	Varies	On demand	We will send qualified personnel to your hotel to assist you as we deem necessary or as agreed to by you and us. In addition, you must reimburse us for the travel, meal, lodging, and payroll expenses that we incur in providing advisory services.
Comfort Letter or Estoppel Processing Fee	$2,500	On demand	We will waive this fee if you pay our outside counsel costs in connection with processing these requests.
Prospectus Review	Varies	On demand	You may be required to pay our outside counsel costs in connection with the review of offering documentation for the sale or transfer of any ownership interest in you or your hotel.
Additional Design/Construction Review Services	Varies	On demand	If you request additional design/construction services, we will provide such services as agreed to by you and us.

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
Fire Protection and Life Safety or Security Design Plan Review, Inspection and Testing, and Compliance Audits	$500 to $19,500, based on the services rendered, the time needed for the testing and inspection, the size of your hotel, and the complexity of its design.	On demand	We may review plans, provide inspection, testing and consultation services, and conduct audits to ensure that any new installation or change affecting the hotel's security design or fire protection, and life-safety systems and features complies with our then-current standards. You must reimburse us for our travel, meal, and lodging expenses.
Post-Opening Authorization to Open ("ATO") Work Inspection	$910 per day per inspector	On demand	This fee is payable if we must make additional inspections of your hotel after it opens to ensure you completed any additional work required in connection with the ATO. In addition, you will be required to pay the travel, meal, and lodging expenses of the inspector(s).
Expansion	$400 per guestroom	With request for approval	You may not expand your hotel or add additional guestrooms without our approval. This fee, less a processing charge, is refundable only if the application is not approved.
Expansion Opening Authorization	$3,500	On demand	This fee covers the costs associated with the expansion/additional guestrooms opening authorization process.
Post-Approval Owner Background Check	$300 per entity/$100 per person. If additional enhanced due diligence is required, the cost ranges from approximately $400 to $5,600 per background check, depending on the country involved and whether an entity or person is being checked.	On demand	This fee will be charged to cover third-party costs we incur for background checks performed after approval of your application due to proposed ownership changes. This may apply to your hotel prior to its opening.

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
	Expedited turnaround is available at an additional cost.		
Operator Screen	$7,500	On demand	This fee is to defray our costs associated with our screen of a proposed operator, if we determine that a screen is necessary as part of the consent process, as well as to cover third-party costs we incur for background checks. This may apply to your hotel prior to its opening.
Management Company Transition Services	$5,500	On demand	This fee covers the cost of support and training in connection with management company transitions. In addition, you must pay our outside counsel costs to document a management company transition, regardless of whether the transaction closes.
Temporary Closure and Re-Opening Support Services[17]	$0 to $25,000, depending on the size and location of the hotel, the length of time the hotel is closed, and the level of support provided	On demand	You must obtain our written consent in connection with any temporary closure and re-opening of your hotel and comply with our standards relating to the same. This fee covers the cost of closing support, re-opening operations and sales support, and training that we will provide to you in connection with the required or authorized closure and subsequent re-opening of your hotel. A self-service temporary closure and re-opening support program may be available at no cost to you. You must reimburse us for the travel, meal, and lodging expenses that we incur to provide this service.
Destination and Resort Fees	Application fee of $1,500 plus $400 per year if your application to charge destination or resort fees is approved	On demand	You may not charge guests destination or resort fees without our prior approval. To charge such fees, you must be fully compliant with the franchise agreement and your hotel must meet our then-current qualification criteria (including exceeding the brand's average

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
			intent to recommend score and such other qualification criteria as we may establish). If we approve your application, you must offer guests complimentary services and amenities with a retail value that is at least four times greater than the destination or resort fee charged. You may be prohibited from charging destination and resort fees to certain tiers of loyalty program rewards members that stay at your hotel. Our standards relating to destination and resort fees are subject to change. We may also discontinue the destination and resort fee program or withdraw our approval of the destination and resort fees charged by your hotel at any time.
Learning & Development Bundle	17.40 to $19.20 per guestroom per year	On demand	We have implemented a Learning & Development Bundle that covers the cost of certain required ongoing training programs. See Item 11. Pre-opening and opening training programs and costs are described in Items 5 and 7.
Conferences	Varies	On demand	See Item 11.
Transfer[18]	The greater of $150,000 or $500 per guestroom	Upon submission of application	This fee is refundable, less $10,000, if we do not approve the application. This may apply to your hotel prior to its opening.
Liquidated Damages	For hotels open 2 years or more: the hotel's average monthly fees *multiplied by* the lesser of 60 or the remaining months in the term of the franchise agreement. For unopen hotels and hotels open less than two years: 60 *multiplied by* the greater of (i) hotel average monthly fees or (ii) system average monthly fees.	On demand	These amounts are payable if the franchise agreement is terminated due to your default. "Average monthly fees" are average franchise fees and program service contributions during the 24-month period preceding the termination of the agreement, excluding periods in which extraordinary events have occurred. In addition, Marriott may seek actual damages. See Section 19.4 of the franchise agreement

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
Indemnification	Varies	On demand	You must defend and hold us harmless against all claims and reimburse us for all damages and attorneys' fees resulting from the development, construction, and operation of your hotel, or resulting from the misuse of our marks or violation of any applicable law.
Removal of Hotel from System	$33,000	On demand	This fee is charged to a hotel leaving the system to defray our costs associated with de-flagging the hotel.
Construction/Conversion Extension	$10,000	With request for extension	This fee is refundable if the extension is not granted. This may apply to your hotel prior to its opening.
Other Company Brand Conversion Authorization	Varies	On demand	When you convert to a The Luxury Collection hotel from another Company Brand Hotel you will be charged the pre-opening fees described in Item 5 as if you were opening a new hotel, except, if the hotel already has the required systems in place, you will not be charged to reinstall such systems. These fees are in addition to the PIP Fee referenced above. These fees cover the costs of training your staff and providing services to you in connection with the conversion and re-opening of the hotel as a The Luxury Collection hotel.
Global Recipe Database Support	$1.00 per guestroom per year (not to exceed $800 per year)	On demand	This program is optional. If you participate, you must purchase a license for the Global Recipe Database directly from our designated vendor.
Best Rate Guarantee Non-Compliance	$50 to $500 per violation (based on the number of violations each month)	On demand	The Best Rate Guarantee Non-Compliance charge is subject to change. In addition to paying the charge, you must reimburse us for all costs we incur in connection with your non-compliance. See Item 16.

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
Customer Issue Resolution	$55 to $65 per customer complaint or other customer service issue handled by us, and reimbursement of all costs incurred by us to resolve a matter (including compensation paid by us to a guest)	On demand	These charges apply if you fail to respond to a complaint within the time frame specified by our standards (currently 72 hours) and our CEC responds to the matter, or if a complaint or other customer service issue is otherwise referred to us for resolution.
Miscellaneous[5]			
Accounting Audit	The amount of the underpayment plus interest if an audit reveals an underpayment	On demand	If an audit reveals an underpayment of 5% or more, or if an audit reveals that accounting procedures are insufficient to accurately determine payments due, then you must reimburse us for all costs in connection with the audit.
Interest on Overdue Amounts	Lesser of 18% per year or maximum interest rate permitted by law	On demand	Interest accrues from the due date until the overdue amount is paid.
Costs and Attorneys' Fees	Varies	On demand	Payable to us if you do not comply with the franchise agreement or related agreements.
American Hotel and Lodging Association (AH&LA) [19]	$5.00 per guestroom per year	On demand	This is an optional membership in AH&LA, which provides advocacy, industry communications, and professional education.
Franchisee Associate Job Postings	$135 per Marriott.com job posting	On demand	This is an optional service.
GM Awards	$300 to $1,500 per hotel per year	On demand	This charge is for the annual global general managers awards. It is charged to all hotels open for the full year for which the awards are given.
Franchise Operations Support Resources	Varies; approximately $400 to $1,500 per day per employee, depending on	On demand	This is an optional service. Upon your request we will provide to your hotel, on a temporary basis,

TYPE OF FEE	AMOUNT	DUE DATE*	REMARKS
	the experience and area of expertise of the employee		operations personnel who are part of a "task force" to assist with vacancies or short-term staffing needs. You must execute a service agreement to use this service (see Exhibit K).

Residential, Condominium, or Multi-Family Component Fees[20] (Applicable only if you operate a residential, condominium, or multi-family component in conjunction with your The Luxury Collection hotel)			
Residential Marketing License Fee	For a Residential or Condominium Component: 4% of the total gross sales price for each unit For a Multi-Family Component: 3% to 4% of gross monthly rentals	Payable in full upon closing the sale of the unit	
Residential Program and Service Bundle[21]	$143 per year per unit sold, with an annual cap of $25,000	On demand	The Residential Program and Service Bundle covers the cost of certain mandatory programs, systems, and services, as described in Note 19.
Trademark License Fee	$1,000 per unit per year	On demand	This fee does not apply to a multi-family component.
EMPOWER Guest Experiences ("GxP") – Support	$980 per year	On demand	GxP support payments are made to us and remitted to the vendor on your behalf.
Residential Brand Standard Audit	Approximately $250 to $1,500 per audit	On demand	You must participate in our residential brand standard audit, which assesses compliance with the standards. You must provide the inspector(s) with complimentary lodging at the hotel, meals, incidentals and other services as part of any audit, plus any costs that we incur in connection with audits that are cancelled by you.
Residential Accountability Program	$25 to $100 per unit if your residences fails to meet the requisite residential quality assurance threshold under the Brand Standard Audit Program, *plus* $2,500 for	On demand	The residential or condominium component of your hotel will be placed in a quality assurance "performance zone" each quality assurance tracking period. In addition to this charge, if the

Residential, Condominium, or Multi-Family Component Fees[20] (Applicable only if you operate a residential, condominium, or multi-family component in conjunction with your The Luxury Collection hotel)			
	each in person or virtual meeting that we may require.		residential or condominium component fails certain portions of the quality assurance audit, we may require you to participate in supplemental training and sales and marketing programs, at your expense. You must also allow us to conduct on-site visits, at your expense.
Condominium Billing Support	$5.20 per unit per month	On demand	This program offers billing support and resources relating to compliance with brand standards. It is required for residences or condominiums with a rental program.
Annual Residential Project Assessment	$1,500 per assessment	On demand	This fee will apply in connection with each annual project assessment by one of our regional residential team members.
Residential Renovation Review	$3,000 to $7,500	On demand	This fee will apply in connection with any renovation of all or a portion of the common areas. The cost will vary depending on the scope of the project.
Document Review	Varies	On demand	You will be required to pay our outside counsel costs in connection with the review of documentation relating to the residential, condominium, or multi-family component at your hotel.
Trademark Non-Compliance	$10,000 for the 1st default, $20,000 for the 2nd default, $30,000 for the 3rd default, and subsequent defaults resulting from your misuse of our trademarks	On demand	This fee applies if you fail to comply with our standards relating to the use of our trademarks under any residential trademark license agreement or residential marketing license agreement, and these charges are in addition to any other rights or remedies that we may have under these agreements or applicable law.
Residential Operations Continent and Global Conference	Continent Meeting $2,500 registration fee plus all travel related expenses	On demand	Continent and global conferences are held to educate and inform property leaders on new brand

Residential, Condominium, or Multi-Family Component Fees[20] (Applicable only if you operate a residential, condominium, or multi-family component in conjunction with your The Luxury Collection hotel)			
	Global Conference $10,000 registration fee plus all travel related expenses.		standards, company initiatives, and residential specific management tools, techniques, and resources. Properties are required to send at least one individual to attend these conferences. Continent conferences are held on an bi-annual basis and global conferences are generally held once every four years. These meetings and conferences may not apply to properties with a multi-family component.

NOTES

* We will require franchisees to submit payments due to us, our affiliates, and certain approved vendors such as travel intermediaries via ACH (Automated Clearing House) bank transfer or other methods of electronic funds transfer. You must designate an account from which funds will be collected, sign any documents necessary to implement these methods of payment, and ensure that there are adequate funds in the designated bank account to timely pay the amounts owed. A copy of our current Electronic Funds Transfer Authorization Form is attached at Exhibit K. We may also establish a centralized payment processing program through which we will collect payments directly from customers of your hotel and remit the payments to you net of amounts owed to us (including the fees described in this Item 6). There may be payment processing fees, remittance fees, and other costs associated with these methods of payment.

General:

1 "Gross room sales" means all revenues and receipts of every kind that accrue from the rental of guestrooms (with no reduction for charge backs, credit card service charges, or uncollectible amounts). Gross room sales *includes*: (i) no-show revenue, early departure fees, late check-out fees, fees for changes to reservations, and other revenues allocable to rooms revenue under the Uniform System of Accounting for the Lodging Industry, Eleventh Revised Edition, 2014, as published by the Hospitality Financial and Technology Professionals, or any later edition, revision, or replacement that we designate (the "Uniform System"); (ii) resort fees, destination fees, and mandatory surcharges for facilities (although inclusion of such fees or surcharges does not constitute approval by us of such fees and surcharges, which may be limited or prohibited); (iii) fees for changes to reservations and attrition or cancellation fees collected from unfulfilled reservations for guestrooms; (iv) the amount of all lost sales due to the non-availability of guestrooms in connection with a casualty event, whether or not you receive business interruption insurance proceeds; and (v) any awards, judgments, or settlements representing payment for loss of room sales. Gross room sales *excludes* sales tax, value added tax, or similar taxes on such revenues and receipts. You must account for gross room sales on an accrual basis.

"Gross food and beverage sales" means all revenues and receipts of every kind that accrue from the sale of food and beverages associated with the hotel, whether inside or outside the hotel (with no reduction for charge backs, credit card service charges, or uncollectible amounts). Gross food and beverage sales *includes*: (i) revenues from restaurants, bars, lounges, snack shops, and other food outlets (including within any health

club, spa or golf course), room service, honor bar, or other food and beverage services provided in guestrooms, banquets, meetings, conventions or other catered events; (ii) revenues and commissions derived from supplying audio/visual equipment and services (whether the equipment is owned or rented by you), rentals of public meeting rooms, cover charges, service charges and other sales or rentals of services, products, and equipment allocable to food and beverage revenues under the Uniform System, and supplying equipment and services (whether the equipment is owned or rented by you) for connecting public meeting rooms to the Internet; (iii) fees for changes to reservations and attrition or cancellation fees collected from unfulfilled reservations for food, beverage, and other services; (iv) the amount of all lost sales due to the non-availability of food, beverage, and other services in connection with a casualty event, whether or not you receive business interruption insurance proceeds; and (v) any awards, judgments or settlements representing payment for loss of food and beverage sales. If you operate a condominium in conjunction with your The Luxury Collection hotel, all food and beverage sales related to the condominium, whether or not included in a rental program, will be included for purposes of all Franchise Fees. Gross food and beverage sales *excludes* sales tax, value added tax, or similar taxes on such food, beverage and other services. You must account for gross food and beverage sales on an accrual basis.

[2] If you are converting a hotel, either one that you currently own or one you are acquiring from a third party, to a Marriott franchise and that hotel is currently managed by us or one of our affiliates, then we may require payment of additional fees in connection with such conversion based on amounts that otherwise would have been payable to us or one of our affiliates under the management agreement that is being terminated, including any incentive management fees or termination fees. In addition to these fees, you may be required to assume ancillary agreements related to the hotel.

[3] In certain circumstances, we may consider reducing our monthly franchise fees to less than the standard amount, with the reduction typically decreasing over time and applying only in the first few years. If the monthly franchise fees are less than the standard amount, we may also adjust the term of your franchise agreement. In deciding whether to make such changes, we will consider, among other factors: (i) market penetration opportunities; (ii) the location; (iii) the size of the hotel; (iv) the economic and financial environment; (v) the cost to the franchisee to complete the conversion of an existing hotel; (vi) whether our reducing a portion of the fees would aid in the successful development or conversion of the hotel; (vii) whether the franchisee is willing to commit to playing an active role in growing the system; and (viii) other relevant factors.

[4] We have established a program services contribution to cover the cost of certain programs, systems, and services ("Program Services Contribution"), including: (a) advertising, consumer and brand marketing, promotion programs and related research that are funded through the Marketing Fund described in Item 11 and certain sales activities; (b) a reservation system; (c) the ongoing cost of certain electronic systems, including rooms and event space inventory and yield management systems, our support of a property management system, our support of a point-of-sale system, our support of a guest feedback tracking and management system, certain costs associated with the mobile key component of the hotel's guestroom lock system, a digital guest services system, an electronic customer folio delivery system, a virtual private network, the provision of a limited number of Email Lite Marriott.com email addresses, an intranet website supplying information such as standards and quality assurance information, the MDash system, our support of encrypted payment processing, a guest experience platform, and a web-based tool that generates discount forms and cards for associates; (d) a guest satisfaction survey system, an event planner satisfaction survey system, and an annual audit under the Audit Program; (e) a centralized travel agent commission processing program; and (f) one license for the Marriott Environmental Sustainability Hub ("MESH").

Except as designated by us, the Program Services Contribution generally does not cover costs, expenses or fees for any other programs, systems, or services, including without limitation: (i) the purchase or installation of, or training for, systems for your hotel (including new or replacement systems); (ii) revenue management services; (iii) technology and systems security; (iv) hotel employee training; or (v) residential licensing. Costs paid by the Program Services Contribution include our costs of development, maintenance and support, management, oversight, administration, salaries, and overhead (including collection and accounting). If we provide capital for a project to change or develop new systems covered by the Program Services Contribution,

we may recover the capital invested as well as costs incurred by us to finance such invested capital. We may spend all of the contributions in the year collected or carry forward excess contributions into future years. If expenditures exceed amounts collected, we may make loans to cover the shortfalls (and may treat each loan (and any interest charged thereon) as a receivable to be repaid in subsequent periods). The Program Services Contribution may be combined with the program services contributions for one or more other Company Brands, and all franchisees may not benefit on the same basis from Program Services Contributions. The Program Services Contribution may be merged, modified, or discontinued at any time. We may change the Program Services Contribution amount, or the costs covered by the Program Services Contribution at any time. We are not the trustee of, and have no fiduciary duty to you for, the Program Services Contribution.

If your hotel (a) has more than 600 guestrooms and greater than 40,000 square feet of meeting space and is designated as a convention hotel in our Convention & Resort Network (Americas) ("CRN"), or (b) has more than 350 guestrooms and greater than 20,000 square feet of meeting space and is designated as a resort hotel in our CRN, your Program Services Contribution will be an amount equal to: (i) 1.82% of gross room sales (which includes a contribution to the Marketing Fund of 1% of gross room sales); plus (ii) $31,548 per year; plus (iii) $480 per guestroom per year.

5 We may change our systems, such as our reservation, yield management, sales, marketing and technology systems, and add or subtract training and other programs at any time. You must fully participate in these changed or new systems or programs. You must pay the charges and fees for these changed or new systems or programs, which may include one-time implementation charges and license fees and ongoing maintenance and support charges payable to third-party vendors. These costs may not be covered by the Program Services Contribution. If we provide capital for a project to change or develop new systems related to the operation of the hotel, we will be entitled to recover the capital invested as well as costs incurred by us to finance such invested capital.

Sales & Marketing:

6 This charge covers the cost of the Marriott Bonvoy loyalty program (the "Loyalty Program"). The Loyalty Program is part of the broader Marriott Bonvoy marketplace, which encompasses our portfolio of over 30 brands and other travel offerings, the Loyalty Program, and direct channels, among other businesses.

Loyalty Program members can earn points for stays at our hotels and other travel offerings, such as Homes & Villas by Marriott Bonvoy®, a global offering focusing on the premium and luxury tiers of rental homes, as well as through purchases with co-branded credit cards and our loyalty partners. Members can redeem points for stays at most of our properties, airline tickets, airline frequent flyer program miles, rental cars, products from Marriott Bonvoy Boutiques®, and a variety of other awards, including experiences from Marriott Bonvoy Moments®. Guests who redeem loyalty points at your hotel trigger a limited reimbursement to you from the loyalty program. We derive revenue as a result of certain Marriott Bonvoy partnerships with other companies. You must honor all program rules and policies at your expense, including policies relating to benefits for various tiers and categories of members (such as welcome gifts, discounted or complimentary room nights, and other services), mandatory marketing programs, and promotional initiatives. We reserve the right to change the program, the costs, the redemption reimbursement amounts, and the calculation factors at any time.

You are required to participate in any other guest loyalty program or special marketing program we create for Company Brand Hotels (or any subset thereof applicable to your hotel system) and honor all program rules and policies.

7 Revenue Management Advisory Services and Cluster Revenue Management provide analysis and advice concerning pricing and market position of the hotel. Under both programs, you determine the price or rate charged by the hotel for guestrooms, meeting space, and other services. Any recommendations or suggestions made concerning the price or rate you charge are advisory in nature and not mandatory.

Revenue Management Advisory Services offers services designed to develop a long-term focus on implementing pricing strategies with the participating hotel and provides associated support to implement such strategies. It also includes group and transient pricing and forecasting. Optional services, such as customized training, topline performance reviews, systems audits, extended hours support, and tier analysis are available at an additional cost.

The costs of Cluster Revenue Management are shared by the hotels choosing to participate in the cluster and are based on average time spent on each revenue management function (market strategy/leadership, rooms inventory management, and analysis) for each kind or classification of hotel in the cluster. Depending on your location, a cluster for Revenue Management may not be available for your hotel.

If you choose to retain a revenue manager, the revenue manager must be certified by us within 90 days of hire or, if already employed by your organization, within 90 days of the date the revenue manager commences providing revenue management services to the hotel. Revenue managers must: (i) generally provide revenue management services to no more than 20 Company Brand Hotels; (ii) meet our then-current qualification criteria and complete all required revenue management training courses to our satisfaction; and (iii) have authorized access to our reservation system and the other systems and software necessary to perform revenue management functions. If a revenue manager fails to complete the One Yield certification exam to our satisfaction two or more times, a charge of $2,500 will be assessed. While you may retain third parties to consult on revenue management matters, only you, a management company approved by us to operate your hotel, or a certified revenue manager employed by you or your management company can access our revenue management systems and the data contained in our revenue management systems (including One Yield, MARSHA, and HPP).

To participate, you must execute the Revenue Management Advisory Services Agreement (see Exhibit K). Optional services, such as One Yield Premium Shops (I and II) may be available at an additional cost.

8 We have established Area Sales teams and Multi-Hotel Sales teams in select markets in the United States and Canada. We allocate the cost to administer the sales teams among participating hotels. The amount allocated to each participating hotel varies based on the resources devoted to the hotel, the reservations made by the sales team for the hotel, the participating hotel's sales goals, and prevalent wage rates, among other factors. The current cost to participate in an Area Sales team ranges from $15,000 to $142,000. The current cost to participate in a Multi-Hotel Sales team presently ranges from $10,000 to $332,000. These costs are subject to change each year as hotels enter or exit the teams, new staff are hired, and prevailing wage rates change. To participate in Area Sales and Multi-Hotel Sales, you must execute an Area Sales and Multi-Hotel Sales Service Agreement (see Exhibit K). Optional services such as lead management, integrated sales, and citywide sales are available at an additional cost.

9 The BT Booking charge varies according to the number of BT guestroom nights that are centrally reserved for your hotel by the Account Sales and Multi-Hotel Sales organizations during the immediately preceding calendar year as follows:

BT Room Nights Reserved During the Immediately Preceding Calendar Year	Monthly BT Booking Charge*
0 – 400	$130
401 - 1,300	$119
1,301 +	$309

* The BT Booking charge for new-to-system hotels will be $130 per month during the first calendar year of operations.

10 We allocate the costs of these cooperatives, initiatives, and related services among participating hotels. The costs for national, local, or regional advertising cooperatives and marketing initiatives or services vary depending on the services performed, the size of the campaign(s), the development costs of the programs, and the number of participating hotels. Cost allocations may be based on criteria such as the number and size of hotels participating, the hotel's revenue, room count, and the revenue produced by the campaign. Cost

allocations may also be based on a flat percentage charge to each hotel participating in certain initiatives. We reserve the right to change our cost allocation methodologies at any time.

If you meet the requirements to, and elect to, join our Convention & Resort Network (Americas), the cost of participation is based on budgeted group room revenue at participating hotels. Our Convention & Resort Network (Americas) engages in various marketing and sales initiatives targeted at current and potential group customers who book large groups at participating hotels. In calendar year 2022, the cost to participate in the Convention & Resort Network (Americas) is anticipated to be 0.129% of the hotel's budgeted group room revenue.

11 Our gift card program presently consists of certain prepaid products (including gift cards, gift certificates, and travel cards). Hotel-specific gift cards are also available on an optional basis at a cost ranging from $0.77 to $6.41 per gift card. The redemption of these products at your hotel triggers a reimbursement to your hotel and a related administrative charge of up to 10% of the amount tendered that is used to offset the cost of the program. In 2026, Marriott will waive the administrative charge associated with this program and will provide a reimbursement to hotels equal to the face value of the redeemed pre-paid product. Your hotel must honor all gift card program rules and policies. We reserve the right to change the program, the costs, the redemption reimbursement amounts, and the calculation factors at any time.

12 The Centralized Travel Agency Commission processing program ("CTAC") is a program through which we (i) facilitate the payment of commissions on your behalf to intermediaries (including travel agencies, travel management companies ("TMCs"), group intermediaries, online travel agencies, and other similar entities) that book reservations at your hotel after collecting the commissions and charges from you; (ii) handle commission inquiries from intermediaries made after booking; and (iii) conduct training and incentive programs for intermediaries. We collect the amounts payable to intermediaries via ACH or other means of electronic funds transfer. We have no obligation to pay the intermediaries on your behalf unless and until we have received payment from you. Your designated on-property CTAC user must review and respond to commission claims raised by intermediaries and Marriott in the manner and within the time frames we specify. Failure to pay commissions and related fees and charges as and when due may result in the loss of access to these distribution channels.

The Program Services Contribution covers certain of our fees and charges to administer CTAC. It does not cover the cost of commissions paid to intermediaries. In addition, you must, at your expense:

(1) participate in our Preferred Travel Agency program, the cost of which is 10% of qualifying room revenue;

(2) participate in our Group Intermediary Commissions program, through which we facilitate the payment of group intermediary commissions at a maximum rate of 7% of qualifying room revenue. We will not facilitate the payment of commissions to group intermediaries on your behalf: (a) for ancillary items (food and beverage, audio/visual rental, etc.); (b) to group intermediaries that do not have industry accreditation (such as IATA, IATAN, TIDS, ARC, or CLIA accreditation); or (c) to end-user accounts. We will not facilitate the payment of commissions to group intermediaries on your behalf if the commission exceeds 7% of gross group room revenue; and

(3) offer inventory through any online reservation and distribution channels we may now or in the future designate (which may be managed by us, our affiliates, or third parties). In addition, you must pay to our designated online reservation and distribution channels commissions generally ranging from 7% to 10% of qualifying gross room sales and gross group room sales, as applicable, using CTAC.

The following programs are optional under CTAC:

(1) OTA Program: This program facilitates the payment of commissions to certain online travel agencies when such travel agencies are the merchants of record in connection with bookings at your hotel at

an average rate of approximately 10% to 12.5% of qualified room revenue. See Item 16 for certain conditions and restrictions on our OTA Program; and

(2) TMC/Consortia Program: This program drives incremental business to hotels by using "Preference Payments" to obtain the highest levels of preference at the lowest possible cost. If you participate in the program, you must pay a Preference Payment ranging from 0.1% to 5.0% of booked rooms revenues for every eligible guestroom night generated by the participating TMC or consortia. We may offer optional add-on services to the TMC/Consortia Program at an additional cost.

The arrangements described in this Note 13 are of a limited duration and may be renegotiated periodically.

[13] In addition to the Digital Marketing program, hotels may participate in optional, self-service email marketing campaigns using our designated platform. Email campaigns to drive room nights cost approximately $1,000 to $10,000 per campaign, depending on delivery volume. Email campaigns to drive ancillary spend on food and beverage, spa, golf, skiing, and other amenities require subscription to our designated platform, which costs approximately $200 per month.

[14] Through the Transaction-Based Media Program, we develop advertising materials and pay third parties to place listings and paid ads in search engines (such as Google, Yahoo, and Bing), AI engines (such as Google, OpenAI, Anthropic), through advertising networks and direct referral partners (such as TripAdvisor, Google Hotel Ads, Trivago, and Kayak), and through third-party websites and apps (such as social networks) that feature links to Company Brand websites. When a consumer clicks on a Transaction-Based Media Program listing or ad, they are referred to a Company Brand website to make a direct booking. Hotels will incur a fee if the referral results in a qualified stay. Hotels are not charged on rates such as special corporate or group room rates. Optional add-on services are available at an additional cost. We may expand or otherwise modify the scope of this program to reflect, among other things, changes in consumer searching and booking preferences, and we may adjust the charge for digitally generated stays accordingly.

Technology:

[15] The current, approved Microsoft M365 F3 suite with Email Lite includes web-based versions of Microsoft Office (e.g. Word, PowerPoint Excel, Outlook) and email (2GB), as well as Teams, OneDrive (2GB), and SharePoint. It also includes version updates, patching, security and device management software, and certain product support. Audio conferencing is available on request. All hotels must have at least one M365 F3 suite with an Email Lite solution. The Program Services Contribution covers the cost of an M365 F3 suite with up to 7 Email Lite solutions. The cost of each additional M365 F3 suite with an Email Lite solution is estimated to range from approximately $11.21 to $14.00 per month. Optional, enhanced version of M365 with email (including suites with desktop versions of the Microsoft Office and additional storage) are available for a cost ranging from $13.71 to $68.08.

[16] You must retain a qualified third-party investigator to thoroughly investigate any actual or potential cybersecurity, privacy, or other data breach relating to your hotel if required under our standards or applicable law. The cost of an investigator can vary significantly depending on the extent of the actual or potential breach, but generally ranges from $5,000 to $30,000.

Operations:

[17] The program consists of support and guidance in closing the hotel, removing hotel inventory from various distribution channels, and notifying hotel guests of the intended closure. We will also provide re-opening operations support, sales support, and training in connection with the re-opening of the hotel. You must pay our then-current fees for support and training. Currently, the cost of such support and training is $983 per day for opening manager support, $983 per day for sales manager support, and $725 per day per trainer for systems, operations, and food and beverage training.

[18] If we engage outside counsel in connection with a transfer (including in circumstances in which there is a transfer of less than a controlling interest and no transfer fee is charged), you must also pay our outside counsel costs, whether the transaction closes or not.

Miscellaneous:

[19] Membership in AH&LA is optional, but you must opt out if you do not want to participate. This fee is paid to us, and we remit the entire fee on your behalf to AH&LA.

Residences (if applicable):

[20] If your hotel includes residential, condominium, or multi-family units that participate in a rental program, the terms "guestroom" or "room" as used in this Item 6 will include such units.

In certain circumstances, we may consider reducing these fees to less than the standard amount. In deciding whether to make such changes, we will consider, among other factors: (i) market penetration opportunities; (ii) the location; (iii) the size of the hotel project; (iv) the economic and financial environment; (v) whether our reducing a portion of the fees would aid in the successful development or conversion of the hotel; (vi) whether the franchisee is willing to commit to playing an active role in growing the system; and (vii) any other relevant factors.

[21] In addition, we have established a Residential Program and Service Bundle to cover the cost of certain required, recurring residences specific programs and services, including: an owner recognition platform, an owner engagement survey system, and certain required training programs. Except as designated by us, the Residential Program and Service Bundle does not cover costs, expenses or fees for any other programs, systems, or services, including without limitation: (i) the purchase or installation of, or training for, systems for your hotel (including new or replacement systems); (ii) revenue management services; (iii) employee training; and (iv) technology and systems security. Costs paid by the Residential Program and Service Bundle include our costs of development, maintenance and support, management, oversight, administration, salaries, and overhead (including collection and accounting). If we provide capital for a project to change or develop new systems covered by the Residential Program and Service Bundle, we may recover the capital invested as well as costs incurred by us to finance such invested capital. We may spend all of the contributions in the year collected or carry forward excess contributions into future years. If expenditures exceed amounts collected, we may make loans to cover the shortfalls (and may treat each loan (and any interest charged thereon) as a receivable to be repaid in subsequent periods). The Residential Program and Service Bundle may be combined with the program services contributions or residential program and service bundles for other brands, and all franchisees may not benefit on the same basis from Residential Program and Service Bundle. The Residential Program and Service Bundle may be merged, modified, or discontinued at any time. We may change the amount charged and the costs covered by the Residential Program and Service Bundle at any time. We are not the trustee of, and have no fiduciary duty to you for, the Residential Program and Service Bundle.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	AMOUNT FOR A 200 GUESTROOM HOTEL	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Application Fee[1]	$100,000	Lump sum	Generally due with the franchise application	Marriott
Pre-Opening Training, Revenue Management, Marketing & Digital Support, and Related Services[2]	$100,000	Lump sum	On demand	Marriott
Property Management System, Reservation System, Yield Management System, and Sales and Catering System[3]	$176,000 to $299,000	As arranged by you/lump sum	As arranged by you/on demand	Suppliers/ Marriott
Other Systems and Training[4]	$42,000 - $135,000	As arranged by you/lump sum	As arranged by you/on demand	Suppliers/ Marriott
Market Feasibility Study[5]	$15,000 - $25,000	As arranged by you	As arranged by you	Suppliers
Independent Hotel Brand Assessment and Implementation[6]	$125,000 - $350,000	As arranged by you/lump sum	As arranged by you/ on demand	Contractors/ Suppliers/ Marriott
Real Estate[6]	Not determinable because of variables	As arranged by you	As arranged by you	Seller or Lessor
Building Permit, Tap, and Impact Fees[7]	Not determinable because of variables	As arranged by you	As arranged by you	Local Government
Building Construction[7]	$632,000 - $1,053,400 per guestroom	As arranged by you	As arranged by you	Contractors and Suppliers
Kitchen and Laundry Equipment[8]	$17,700 - $22,600 per guestroom	As arranged by you	As arranged by you	Suppliers

TYPE OF EXPENDITURE	AMOUNT FOR A 200 GUESTROOM HOTEL	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Furniture and Fixtures[9]	$77,400 - $98,800 per guestroom	As arranged by you	As arranged by you	Suppliers
Technology Hardware & Software and Network Infrastructure[10]	$8,100 - $17,200 per guestroom	As arranged by you	As arranged by you	Suppliers
Operating Supplies[11]	$13,400 - $17,100 per guestroom, *plus* $44,900 to $57,400 per hotel	As arranged by you	As arranged by you	Suppliers
Professional Design Services[12]	$31,600 - $52,700 per guestroom	As arranged by you	As arranged by you	Architects/ Suppliers/ Marriott
Insurance[13]	Varies	As arranged by you	As arranged by you - must be effective before start of construction	Insurance Company
Start-Up Costs[14]	$4,800 - $7,500 per guestroom	As arranged by you	As arranged by you	Suppliers and Employees
Hard Cost Contingency (10% of hard costs)[15]	Not determinable because of variables	As arranged by you	As arranged by you	Contractors and Suppliers
Food Safety and Sanitation Compliance[16]	$490 (assuming 7 people at $70 per kitchen manager and engineering leader with responsibility for kitchen equipment)	As arranged by you	As arranged by you	Training and Certification Vendors
Opening Advertising [17]	$200,500 - $250,500	As arranged by you	As arranged by you	Suppliers
Additional Funds (first 3 months) [18]	$3,500 - $8,000 per guestroom	As arranged by you	As arranged by you/on demand	Suppliers/ Employees/ Marriott
Total Range (excludes costs identified as not determinable)	**$158,503,890 to $256,797,390**			

We based these cost estimates on a typical newly-constructed suburban hotel with the stated number of guestrooms. Costs may be higher for larger hotels, hotels located in urban or resort markets, and hotels with a residential, condominium, or multi-family component. These estimates are based on our experience and the experience of our subsidiaries as franchisors, owners, or operators of hotels. We make no representations that your costs will come within the ranges estimated and cannot guarantee that you will not incur additional opening costs. Your actual costs will depend on factors such as: regional conditions, your management skills, experience and business acumen, economic conditions, prevailing wage rates, federal, state and local laws and regulations, and competition. You should review these estimates carefully with your business and legal advisors before making any decision to purchase this franchise. The above information is for new-build hotels only. The costs for converting a property to a The Luxury Collection hotel, or for adding a residential, condominium, or multi-family component to a The Luxury Collection hotel, or in connection with acquiring an existing The Luxury Collection hotel may be significantly different based on the condition, location, and configuration of the existing hotel property, and the cost to comply with Then-current standards and a property improvement plan. We are not able to give you a meaningful estimate of such costs.

All payments to Marriott are non-refundable except for the initial franchise application fee which, as described in Item 5, is refundable in part if we do not approve your application. Payments made to other parties may or may not be refundable based upon your agreements with them.

Except as described in Item 10, we generally do not finance any part of this initial investment.

NOTES:

1 The initial franchise application fee is described in Item 5.

2 This estimate includes initial costs for: (a) hourly, supervisory, and management training before and during opening or conversion (except for computer system training costs described in footnotes 3 and 4); (b) pre-opening revenue management support and training; (c) certain pre-opening marketing assistance; and (d) additional charges associated with the opening authorization process. See Items 5 and 11 for further details.

3 This estimate includes initial costs for our designated property management, reservation, sales and catering, and yield management systems. This estimate does not include the cost of above-property management systems such as engineering systems, human resource systems and equipment, or back-office accounting equipment that can be utilized in the management of multiple hotels. If your hotel exceeds 300 guestrooms, you may be required to install additional or different computer systems at an additional cost. If you sign a franchise agreement for an existing The Luxury Collection hotel or for a new-to-system hotel to be opened in 2026, you may be required to implement our legacy approved property management, reservation, and yield management systems and transition to the new systems in 2027. The amount payable to us or our approved vendors in connection with the implementation of the legacy systems is estimated to range from $133,000 - $225,000. The cost of transitioning from the current approved system to the new system will range from approximately $19,960 to $30,785 per hotel, plus $223 to $282 per guestroom at the hotel, and is payable by you. Hotels participating in revenue management advisory services must pay an additional $2,700 for revenue management advisory services associated with the transition.

4 This estimate includes hardware, software, installation, and training for GxP, and a computer kiosk, as described in Item 11. This estimate does not include the cost of above-property management systems such as engineering systems, HR systems and equipment, or back-office accounting equipment that can be utilized in the management of multiple hotels.

[5] This estimate is for a market feasibility study by an independent, third-party consultant, and you must also pay any travel or living expenses incurred. If your hotel includes a residential, condominium, or multi-family component, you will also be required to obtain a residential market feasibility study. We estimate the additional cost to be approximately $10,000 to $20,000, and you must also pay any travel or living expenses incurred.

We may conduct an Independent Hotel Brand Assessment to determine the hotel branding and guest experience improvements necessary to affiliate the hotel with The Luxury Collection. This estimate includes our fee of $5,000 to conduct the Independent Hotel Brand Assessment and the cost of retaining the services of an approved professional branding consultant to fully develop and execute the hotel branding and guest experience and to create a comprehensive communications strategy and marketing plan. This estimate also includes the costs of implementing a service experience training program for hotel associates and creating spaces, programs, and experiences at the hotel to reinforce the hotel's branding, service culture, and guest experience. You may also be required to retain a professional food and beverage consultant to help define the food and beverage concepts and to determine the most appropriate operations solutions. We have developed and will provide a list of recommended branding agencies, interior design firms, and food and beverage consultants for specific geographic regions. You are required to select from our list of recommended firms; however, in certain circumstances, we will consider agencies not on such list. If you select a firm that is not on our recommended list, we may require you to cover the costs associated with our engagement, guidance, and review of the implementation of the hotel branding and guest experience work, interior design, and food and beverage concepts.

[6] We do not estimate the cost of real estate or site work because of wide variations among geographic areas and sites. The size of the site for a typical 200-guestroom The Luxury Collection hotel varies from 3.5 to 10 acres, depending on the property location and number of floors in your hotel. The building size can vary from 206,000 to 263,000 square feet or more for hotels in The Luxury Collection. We also do not estimate the size and cost of additional space that may be required at resort properties for spa and other recreational facilities.

[7] This estimate is for the total cost to construct a typical new-build The Luxury Collection hotel with 200 guestrooms located in a suburban area. This estimate is stated on a per-guestroom basis and includes site work, project management fees, and the cost of exterior signs (but not graphics). Parking is assumed to be on-grade, and estimates for special foundations for earthquake requirements are not included. This estimate does not include building permit fees, tap fees, or impact fees, which are charged by local government authorities and will therefore vary. You should check with the local government authorities that have jurisdiction over your hotel to determine if there are any such fees and, if so, how the fees are calculated and the amount to be charged to your hotel project. Building construction costs vary greatly from state to state and region to region, depending upon materials, labor costs, and other variables such as architectural design and façade treatments. This estimate will increase if your hotel has more than the stated number of guestrooms or if there are any unusual site conditions, labor shortages due to an active construction market, or organized labor groups. Building construction costs for an urban hotel can be higher and may include the cost of an underground parking structure. The cost of additional recreational and other facilities found at resort properties is not included in this estimate.

[8] It is assumed that laundry will be handled off-site. Additional laundry equipment for a full-service laundry and/or valet is not included in this estimate. Ice machines for guestroom floors are included in this estimate.

[9] This estimate is for the total cost of furnishing a The Luxury Collection hotel on a per-guestroom basis. The estimate includes guestroom and public space furniture, including all seating and case goods, decorative and plug-in light fixtures, window treatments, carpet, vinyl wall coverings, interior signage, a flat panel television for each guestroom, and all associated procurement fees, freight, warehousing, taxes, and installation (excluding carpet and wall coverings).

[10] This estimate is for the cost to purchase and install all property-based technology infrastructure in accordance with the standards as of the date of this disclosure document, including the following: a private branch exchange, high speed internet access, structured cabling, security systems, door lock systems, in-room

technology (including in-room entertainment), public space technology, information security best practices, and CCTV. Technology equipment and installation costs will vary widely depending on the size and configuration of the hotel, including any residential or condominium component, the availability of cellular network coverage, and the type of equipment you choose.

[11] This estimate is for inventory items such as uniforms, china, flatware, towels, linens, guestroom amenities, maintenance supplies, other supplies, and paper goods. This estimate also includes the cost to acquire an initial inventory of cleaning equipment and supplies, including non-medical face masks and gloves, hand sanitizer stations, guest sanitation kits, mattress and pillow protectors, EPA-approved cleaning and disinfectant agents that kill Covid-19, and certain other cleaning and recovery technologies. Your costs may exceed these estimates if the hotel is larger than average or if local laws and regulations require the hotel to adopt more stringent cleaning protocols.

[12] This estimate is for fees and expenses relating to architectural, engineering, interior design, lighting, landscape design, food and beverage concepting, and other consulting services for the project, including our design and construction review services and required certifications of compliance with the Americans with Disabilities Act and our fire protection and life safety standards, but excluding any building permit fees, impact fees, tap fees, or locally imposed development fees. The interior designer and other consultants that we require must be retained from the initial narrative and concepting phases of the project through the completion of the project, and the scope of services must include concepting, styling and accessorizing services.

[13] You must obtain and maintain the amounts and types of insurance specified in our then-current standards, including property insurance, commercial general liability insurance, liquor liability insurance, automobile liability insurance, workers' compensation insurance, employer's liability insurance, umbrella/excess liability insurance, employment practices liability insurance, fidelity bond coverage, and cyber-insurance. We also may require you to obtain property insurance covering risks of loss from certified acts of terrorism as available under the Terrorism Risk Insurance Act (as the same may be amended or replaced). If the hotel will be structured as a condominium or contains residential units, we will also require you to obtain both construction defects insurance and completed operations insurance. We cannot provide a meaningful estimate of insurance costs as they will vary significantly depending on the size of the hotel, the number of floors at the hotel, the facilities and amenities offered by the hotel, the hotel's location (including proximity to flood, earthquake, fire, or windstorm zones), prior incidents at the site of the hotel, and your loss history. A copy of the insurance standard in effect as of the issuance of this disclosure document is attached in Exhibit J. We recommend that you obtain insurance cost estimates for your hotel prior to entering into a franchise agreement with us.

The cost of insurance cannot be estimated as it varies greatly based on the size and location of the hotel, the insurer you select, your creditworthiness and insurability, and the amounts and types of insurance that you purchase. Insurance costs are also subject to change based on then-current market conditions.

[14] This estimate is for start-up costs, including wages, marketing expenses, other operating costs incurred before opening, and prepaid expenses, including business licenses and security and utility deposits.

[15] We recommend that you include a project contingency equal to at least 10% of the project "hard" costs. We consider the following items as project "hard costs": building construction; building permit, tap, and impact fees; kitchen and laundry equipment; furniture and fixtures; telephone and security systems; operating supplies; and professional design services.

[16] This estimate covers the costs of meeting food safety and sanitation compliance criteria for kitchen operations, including materials and training.

[17] You are responsible, at your own expense, for providing local advertising, marketing, and promotional communications for the hotel.. In conjunction with the initial opening or conversion of your hotel, you must conduct a marketing and advertising campaign in accordance with our standards. In urban markets, advertising costs will most likely exceed the estimate, depending on rates in the overall media market. You

must engage a marketing agency to develop the hotel's positioning and narrative within The Luxury Collection brand, and you must retain a public relations agency to support your hotel's media efforts. Your costs may exceed the stated range, depending on the location of your hotel, the agency or agencies you choose, and the activities and events you perform, including a grand opening event. This estimate also includes the cost to retain an approved photographer to create an initial portfolio of hotel photographs and the cost to upload the hotel's logo to our systems.

[18] This estimate is for prepaid expenses and operating expenses you may incur during the first three months of operation and is not intended to provide a basis for a break-even analysis. This estimate excludes franchise fees, management fees, FF&E reserves, personal property and real estate taxes, permits and licenses, building insurance, and operating leases.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Purchases in Accordance with Standards and Specifications

You must use only such furniture, fixtures, and equipment ("FF&E"), operating and cleaning supplies and equipment ("OS&E"), and other goods and services at the hotel that conform to our applicable standards and specifications. We may specify a particular model or brand of FF&E or OS&E that may be available from only one manufacturer or supplier. Additionally, we may specify that certain food products, FF&E, OS&E, communication systems (including internet access, see Item 11), and other goods and services be purchased only from us or sources designated or approved by us. If you wish to obtain any FF&E, OS&E, or other goods and services for which we have established a standard or specification from a source that we have not previously approved as meeting our standards and specifications, you must submit a written request to us and provide such other information and samples as are necessary for us to determine whether the item and source meet our then-current criteria. Provided that you comply with our processes and procedures regarding approval of alternate or additional manufacturers or suppliers, we will respond to such requests within a reasonable period of time. We may modify our standards and specifications in our sole discretion, and you must comply with such changes at your expense. We reserve the right, at our option, to revoke any approval if the source or the item fails to meet our then-current standards and specifications.

You must purchase exterior building signs that meet our specifications from one of several approved sign vendors. These approved vendors are not affiliated with us, and we do not currently receive any compensation from these vendors for your purchases from them, although we reserve the right to do so in the future. All property signage must be pre-approved by us. You must already own or purchase building signs that comply with our product quality standards. Any new building signs must meet such product quality standards. You must purchase from a vendor designated by us an exterior plaque that indicates the hotel is a member of The Luxury Collection system of hotels. All property signage must be pre-approved by us.

We have developed cleanliness standards that are updated periodically. If we change our cleanliness standards, you must promptly comply with the changes at your expense. You are solely responsible for establishing and enforcing a cleanliness policy for your hotel. The policy must: (a) comply with applicable laws and regulations; (b) meet or exceed the requirements of our cleanliness standards; (c) not include any items or requirements that may adversely affect the reputation of the hotel or system; and (d) take into account our recommendations and guidelines issued by the AH&LA and Centers for Disease Control and Prevention. You should consult with legal counsel and advisors in the process of developing and implementing a cleanliness policy for your hotel.

We will provide and update our standards and specifications in writing, or make them available to you in digital, electronic, or computerized form. Modifications generally are based on input from our employees, hotel managers, franchisees, owners, and guests.

Purchases through Us, Our Affiliates; Arrangements We Negotiate

We and our affiliates have negotiated supply arrangements (including pricing terms) with manufacturers, suppliers, and distributors of certain products and services used by Company Brand Hotels. Your participation in these supply arrangements will generally be optional, but may be required in certain circumstances, including in relation to brand-mandated FF&E and OS&E. We may require participation in supply arrangements for a variety of reasons, including to ensure uniformity among system hotels and a consistent guest experience. Supply arrangements may include mark-ups, fees, discounts, credits, and/or rebates based on your purchases, which we and our affiliates generally retain. These payments will vary based on the product or service supplied and our then-current arrangement with the supplier. While our objective in negotiating supply arrangements is to obtain preferential pricing for Company Brand Hotels and to make a consistent, uniform supply of goods and services available to Company Brand Hotels, we cannot guarantee that every product or service sourced through these supply arrangements will be lower in cost or offered on better terms than those available in the market. We may negotiate supply arrangements for the system, all Company Brand Hotels, or any subset of each. We may also negotiate special arrangements for franchisees or management companies that operate multiple Company Brand Hotels. We will permit third parties (including competitor hotels and their management companies) to participate in our supply arrangements to, among other things, increase our collective buying power. You may be required to use our supply arrangements in connection with the construction, operation, renovation, modernization, and refurbishment of your hotel. For some programs, we can track purchases and rebates by brand and distinguish between franchisee and managed-owner purchases; for others, only aggregate totals are available. We will not withhold material benefits (such as renewal or additional franchise grants) if you choose not to purchase through our supply arrangements. Franchisees and their management companies may be required to enter into procurement agreements directly with us, our affiliates, or approved suppliers to participate in supply arrangements and to receive any rebates or allowances that may be made available to Company Brand Hotels under the supply arrangements.

1. Rebates and Purchases through Us and Our Subsidiaries; Agreements We Negotiate

Franchisees may choose to purchase FF&E and related design and construction services through Marriott International Design & Construction Services, Inc. ("Marriott Design & Construction"). In 2026, we anticipate that Marriott Design & Construction will charge a fee for providing procurement services that is the greater of $10,000 or approximately 4.5% to 5% of the cost of the products and services provided. Franchisees also may purchase certain OS&E through Marriott Design & Construction. In 2025, we anticipate that Marriott Design & Construction will charge a fee for providing procurement services to The Luxury Collection hotel franchisees equal to the greater of $5,000 or approximately 4.5% to 6% of the cost of the products and services provided. In 2025, Marriott Design & Construction did not receive any unrestricted rebates related to its purchases of FF&E or hotel opening OS&E for franchisees. The fees charged by Marriott Design and Construction are subject to change, and Marriott Design and Construction may retain such amounts as revenue.

In 2025, all Company Brand franchised hotels located in the United States and Canada purchased approximately $161,641,000 of FF&E and related design and construction services through Marriott Design & Construction none of which was attributable to purchases by The Luxury Collection franchisees. In addition, all Company Brand franchised hotels purchased a total of approximately $8,086 of hotel opening OS&E through Marriott Design & Construction in 2025. Of that amount, none was attributable to purchases by The Luxury Collection franchisees.

In addition, in 2025, Marriott Design & Construction received approximately $395,620 in catalog and library participation fees from FF&E and building product vendors whose specifications are published in our design specifications platform. Marriott Design & Construction also receives rebates of

approximately 2% of the cost of select prototype FF&E and building products purchased by Company Brand Hotels from these FF&E and building product vendors. In 2025, Marriott Design & Construction received $1,696,000 as a result of building product purchases by Company Brand Hotels, all of which was used to offset the cost to develop prototypes.

Franchisees may choose to purchase recurring food, beverage, hotel and restaurant supplies, and other operating supplies, engineering supplies, business services, and related products and services from suppliers participating in the purchasing programs arranged by our affiliate MIP Americas, including Avendra, LLC and Avendra Replenishment, LLC. Certain of these products and services may be available solely through MIP America's purchasing programs. Suppliers may pay to MIP Americas various fees and commissions. In 2025, fees and commissions are anticipated to range from approximately 3% to 5% of the cost of products or services purchased by Company Brand Hotels, and MIP Americas may retain such funds as revenue. In 2025, MIP Americas received approximately $605,286 as a result of purchases by franchised Company Brand Hotels. Although it had no obligation to do so, MIP Americas utilized $396,583 of this revenue to offset costs that otherwise would have been charged to hotels and distributed $208,703 to participating franchised Company Brand Hotels. The amount of any rebates, commissions, and markups are subject to change.

We and our affiliates pay Sabre Inc. ("Sabre") a fee for each transaction that is delivered from travel agencies through Sabre's global distribution system. These fees are funded through the costs charged to the hotels for each reservation directly or through the Program Services Contribution ("Reservation System Fees"). If we purchase select Sabre Travel Network media products and services in amounts above certain thresholds during any year, then we will receive a credit for such year. In 2025, we and our affiliates received approximately $393,000 as a result of this arrangement, all of which will be used to offset reservation system costs.

We and our affiliates have an agreement with Expedia.com that allows Company Brand Hotels to book reservations through Expedia.com and certain other Expedia travel websites, corporate travel management booking channels, and wholesale distributions solutions. We and our affiliates may receive payments from Expedia as a result of this arrangement, including rebates on materialized bookings. Rebates vary depending on a variety of factors, including the nature and number of reservations booked through Expedia.com. In 2025, we and our affiliates received approximately $36,150,100 as a result of this arrangement, $35,812,100 of which was distributed to participating Company Brand Hotels and $338,000 of which was retained by us to offset the cost of administering the arrangement.

We and our affiliates have an agreement with Booking.com that allows Company Brand Hotels to book reservations through Booking.com and other Booking.com websites. Guests have the option to pay either Booking.com or the hotel for the reservation. If Booking.com accepts the payment for a reservation, it will remit the amount collected from the guest to the hotel. We and our affiliates may receive payments from Booking.com as a result of this agreement, including rebates on materialized reservations. The amount of any rebates and commissions will vary depending on a variety of factors, including the nature and number of reservations booked through Booking.com. In 2025, we and our affiliates received approximately $21,220,600 as a result of activities taking place in 2024 and 2025 under this arrangement, all of which was distributed to participating Company Brand Hotels.

We and our affiliates have an agreement with SevenRooms Inc. ("SevenRooms") that allows Company Brand Hotels to use SevenRooms' reservations, inventory management, and guest experience platforms. Under the terms of the arrangement, we and our affiliates may receive rebates if certain participation thresholds are met. In 2025, we and our affiliates received approximately $71,000 as a result of this arrangement, which was retained by us and utilized to offset costs that would have otherwise been charged to Company Brand Hotels through the program services contribution.

We and our affiliates have arrangements with several merchants, including Hertz Corporation ("Hertz") and Expedia, under which the merchants make commission or revenue share payments to us based on the amount of purchases made online as a result of transactions that originated on Marriott.com or referrals from Marriott.com. In 2025, we and our affiliates received approximately $ 2,201,468 as a result of this arrangement. Of that amount, $800,000 was received from Hertz and was utilized to offset the cost of the Tours & Activities program on Marriott.com, and $1,401,468 was received from Expedia and utilized to offset the cost of various digital programs. We and our affiliates may use these amounts for other purposes in the future.

Under two separate agreements, Enterprise Rent-a-Car Company/National Car Rental and Hertz provide discounted car rental programs for owners, franchisees, and Marriott associates. Under the terms of the agreements, we and our affiliates may receive allowances if certain volume thresholds are met. In 2025, we and our affiliates received $130,000 as a result of this arrangement.

We and our affiliates have an arrangement with OpenTable Inc. ("OpenTable") that allows hotels to participate in OpenTable's table management and inventory distribution platform at a discounted rate. Under the terms of the arrangement, we and our affiliates may receive rebates if certain hotel enrollment thresholds and spend volumes are met. In 2025, we and our affiliates received $375,000 in rebates from OpenTable, which were utilized to offset costs that would have otherwise been charged to Company Brand Hotels through the program services contributions.

We and our affiliates have arrangements with several companies that supply music streaming services to Company Brand Hotels, including Mood Media and MusicStyling. There may be a single designated music vendor for your The Luxury Collection hotel. Certain music vendors pay fees in consideration for the arrangements. In 2025, we and our affiliates derived $100,000 as a result of these arrangements, all of which was used to cover our administrative costs associated with administering music streaming programs at Company Brand Hotels.

We and our affiliates have an agreement with MVW under which MVW makes payments to us based on tour package sales resulting from transactions that originated with phone calls to the Marriott call centers. At the completion of a reservation, certain callers to the Marriott call centers are offered to be transferred to MVW call centers for an opportunity to learn about future tour packages at an MVW property. MVW reimburses us and our affiliates for all costs associated with the program and pays a "package fee" for each tour package sold by MVW. Marriott determines the number, criteria and selection of calls to be transferred at its sole discretion. In 2025, we and our affiliates derived $6,300,000 in reimbursements and package fees as a result of this arrangement. The payments were utilized to offset the operating cost of the Marriott call centers.

Certain media companies and vendors within the Marriott Guestroom Entertainment program provide restricted allowances to us and our affiliates. The payment is not treated as revenue but is utilized to offset the costs associated with operating the Guestroom Entertainment program as well as fund other marketing initiatives related to in-room media and entertainment. In 2025, we and our affiliates received approximately $3,399,000 as a result of these arrangements.

We and our affiliates have agreements with Simmons to sell mattresses and related products. Under the terms of a Starwood (United States and Canada) agreement for sales through the Hotels at Home retail website, we and our affiliates receive a rebate of approximately 1.5% from such purchases, depending on the volume of sales. In 2025, we and our affiliates received approximately $100,889 as a result of this arrangement. Under a separate Starwood (United States and Canada) agreement with Simmons for employee purchases of mattresses and related products, we and our affiliates receive a rebate of

approximately 2% from purchases. In 2025, we and our affiliates received approximately $359,951 as a result of this arrangement.

We and our affiliates have developed a media network program that delivers curated advertisements to consumers through various channels, including Marriott.com and related websites, the Marriott Bonvoy application and related applications, hotel Wi-fi portals, digital signage at Company Brand Hotels, and the Guestroom Entertainment Program. In 2025, we and our affiliates derived $8,000,000 in revenue as a result of this program, all of which was used to offset the cost of the program.

We may designate one or more approved suppliers for certain beverages. If we designate a supplier of certain beverages, you may be required to serve only the approved supplier's drinks at your hotel (subject to certain limited exceptions). Presently, you or the management company operating your hotel may receive unrestricted allowances directly from our approved supplier, or through an agent designated by our approved supplier, for purchases of the covered beverages. In 2025, we derived $4,999,660 as a result of this arrangement, which was retained as a restricted allowance by us as described in Section 4 below. In 2025, Franchised Company Brand Hotels received approximately $332,579 in unrestricted allowances under this arrangement.

We and our affiliates negotiate purchasing arrangements with third-party human resource service providers on behalf of managed Company Brand Hotels. We make these purchasing arrangements and certain other services available to franchised Company Brand Hotels on a purely optional basis. We have negotiated arrangements with vendors to offer products and services that include, but are not limited to, talent acquisition services, human resource services, and technology services. Except for Marriott individual job postings on Marriott.com and related Marriott sites, you must enter into agreements directly with the third-party suppliers if you elect to participate in such arrangements. We offer a job posting subscription program for job postings on Marriott.com and related sites, and you must enter into agreements directly with us and with third-party supplies in order to participate in the subscription program. The third-party service providers generally pay us a referral fee ranging from approximately 1% to 20% of the fees paid by the participating franchisees to the third-party service providers under such contracts. In 2025, we derived approximately $400,000 in revenue as a result of these activities, all of which was utilized to offset the cost of operating the program and negotiating and implementing the services.

2. Technology Related Purchasing

We and our affiliates require the installation of an on-property communications network. Your hotel must meet our bandwidth and network standards. We have certified and approved certain internet service providers that offer internet solutions that comply with our standards. Such standards and a list of such approved providers are posted on the Marriott Global Source. For existing hotels that have a contract in place with a provider that has not been approved by us, if the hotel meets our bandwidth and network standards, you may continue to utilize that provider until the expiration of the contract. At such time, you must contract with a certified provider.

3. Restricted Allowances

In 2025, a total of approximately $121,978,000 of restricted allowances was made available to us and our affiliates globally from suppliers based on the participation in those suppliers' programs by certain managed and franchised hotels operated under the Company Brands. These restricted allowances must be spent in accordance with the terms of the agreement with the provider of the funds. The allowances have been or may be utilized in various marketing and promotional activities, including, principally, programs related to the promotion of the suppliers' products, joint marketing programs between us, our affiliates and the supplier, marketing programs for Company Brands, our designated loyalty programs, and an allocation to

the marketing funds and programs for Company Brand Hotels. In 2025, a total of approximately $4,674,000 of the restricted allowances was utilized by the marketing funds in which the Company Brand franchised hotels participated.

4. Sponsorship Contributions

We and our affiliates also received certain monetary and in-kind donations from vendors to sponsor meetings, dinners, golf tournaments and other activities held at our general manager, franchisee, and owner conferences, as well as other events. In 2025, the total amount received for all Company Brand corporate level sponsorships was approximately $6,400,000. We and our affiliates also receive product placement funds for several preferred vendors listed on MGS. These amounts are retained by us and our affiliates to defray procurement and supplier relations costs that otherwise would be paid by the hotels purchasing from those preferred vendors. In 2025, we and our affiliates received $122,960 in revenue as a result of these arrangements.

5. Other Related Party Transactions

MII currently owns an interest in Travel Ease, which manages certain of Marriott's Chinese online reservation and distribution channels and market Company Brand Hotels and our designated loyalty programs to Alibaba customers. Travel Ease collects a commission based on a percentage of gross room sales for Company Brand Hotel guestroom nights booked through the online reservation and distribution channels it manages. In 2025, Travel Ease derived approximately $14,100,100 for such activities from Company Brand Hotels. MII's pro-rata share of Travel Ease's profits or losses in 2025 are recorded in MII's financial statements for the fiscal year ended 2025.

MII owns an interest in Groups360 LLC ("Groups360"), which provides lead generation services, meeting advisory services, and marketing services to participating Company Brand Hotels and other hospitality companies. Participation in their GroupSync Engage Instant Booking lead generation service for meetings and events is required. Marriott pays an annual subscription fee for these services to Groups360 on behalf of Company Brand Hotels. In 2025, the annual subscription fee was approximately $3,250,000. MII's pro-rata share of Groups360's losses in 2025 are recorded in MII's financial statements for the fiscal year ended in 2025.

MII owns an interest in PathSpot, which provides a heart of house automation and food safety platform to participating Company Brand Hotels and other hospitality companies. PathSpot charges a monthly subscription to hotels for providing such services and technology. In 2025, PathSpot derived approximately $300,000 as a result of sales to franchised Company Brand Hotels. In 2025, MII did not receive any distributions from PathSpot.

Our total gross revenue in 2025 was $147,482,000. The total amount of revenue that we and our affiliates received in 2025 as a result of franchisees' required purchases, including any unrestricted rebates that we retained and did not distribute, and other fees or payments that we charged for providing procurement services on behalf of franchisees or otherwise received, but excluding any amounts treated as restricted rebates, pass-through or cost recovery, or rebates or other payments that were distributed back to the franchisees, was approximately $11,250,060. That amount is the sum of the following amounts reported above: $395,620 in catalog fees and library participation fees, $460,840 in total rebates from Simmons, $10,393,600 in credit card services fees associated with the use of our credit card gateway. That amount approximately 7% of our revenue in 2025, and less than 0.01% of the total gross consolidated revenue of us and our parent company in 2025, which was $26,186,000,000.

We do not provide material benefits to franchisees based on their purchase of particular products or services or based on their use of particular suppliers.

The arrangements described in this Item 8 are of a limited duration and may be renegotiated or discontinued at any time. The amount of revenue we derive and the manner in which we use the revenue is also subject to change.

Cost of Required Purchases Relative to Cost to Open and Operate

We estimate that the cost of purchases and leases that you must make through us, our affiliates, approved suppliers, or subject to our standards and specifications will represent approximately: (i) 70% to 92% of the total cost of purchases and leases you will incur to establish a typical The Luxury Collection hotel, excluding the cost of real estate[1]; and (ii) 46% to 60% of the total cost of purchases and leases you will incur to operate a typical The Luxury Collection hotel[2] on an annual basis.

Ownership Interest in Supplier

Except for a minor interest in a public or other large company, none of our officers has any interest in a supplier.

Hotel Repairs and Renovation

In addition to your obligation to repair and maintain the hotel on an ongoing basis, you must accomplish a significant renovation of guestrooms, guestroom corridors, and public facilities, including the replacement of soft goods FF&E, and case goods FF&E periodically as required by our then-current standards. At the time of any replacement of FF&E, we have the right to require you to upgrade the rest of the hotel to conform to the standards applicable to similarly situated The Luxury Collection hotels. To help satisfy such renovation obligations, you will be required to maintain a reserve account at a bank acceptable to us.

Nature of Purchasing and Supply Arrangements

The purchasing and supply arrangements described in Item 8 are limited in duration. The terms of these arrangements (including the basis for rebates and commissions payable to us) may be renegotiated periodically.

NOTES:

1 The total cost of purchases and leases you will incur to establish a The Luxury Collection hotel includes estimated costs for pre-opening charges, property management and other systems, market studies, independent hotel brand assessment and implementation, building construction, kitchen and laundry, FF&E, telephone systems, opening supplies, and professional design fees, but does not include the initial application fee, the cost of land and building permits, insurance, start-up costs, and marketing and advertising costs (see Item 7). Actual costs may vary depending on the size, condition, and market area of your hotel, and whether you are converting your hotel from another brand.

2 The total cost of purchases and leases you will incur to operate an existing The Luxury Collection hotel includes estimated costs for linen, cleaning supplies, laundry, guestroom supplies, reservations, loyalty programs, revenue management, travel agent commissions, food and beverage, the Marriott Communications Network, uniforms, "free-to-guest" in-room services, FF&E, and certain marketing and advertising costs, but

does not include labor costs and related expenses, franchise fees, utilities, repair and maintenance, sales and marketing costs, taxes, insurance, rent and lease payments, and other payments related to the land for the hotel. Actual costs may vary depending on the size, condition, and market area of your hotel.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
a. Site selection and acquisition/lease	Sections 1.1 and 26.1.F and Item 17 of Exhibit A of Franchise Agreement	Items 7 and 11
b. Pre-opening purchases/leases	Sections 3.4, 5, 7, and 9 of Franchise Agreement	Items 5, 7, and 8
c. Site development and other pre-opening requirements	Sections 4, 5, 6.1, 6.4, 7, 8, and 9, and Exhibit C of Franchise Agreement	Items 5, 7, 8, and 11
d. Initial and ongoing training	Sections 3.3, 3.4, and 9 of Franchise Agreement	Items 5, 6, and 11
e. Opening	Section 4.2 and Exhibit C of Franchise Agreement	Items 5, 7, 8, and 11
f. Fees	Sections 3, 4.1, 4.4, 6.2, 7.1, 8.3, 9.1, 10.2, 10.3, 13.4.B, 16, 17.3.A, 17.3.B, 17.4.A, 19.4, and 20.1.B, and Sections 1, 2 and 4 of Exhibit C (New Development), Sections 2, 3, and 5 of Exhibit C (Conversion), or Sections 2 and 3 of Exhibit C (Change of Ownership) of Franchise Agreement	Items 5, 6, and 7
g. Compliance with standards and policies/operating manual	Sections 1.1, 4, 5, 6.1, 6.4, 7, 8, 9, 10, 11, 12, 13, and 20, and Exhibit C of Franchise Agreement	Items 8, 11, and 16
h. Trademarks and proprietary information	Sections 7.3, 11, 12, and 20.1.A of Franchise Agreement	Items 13 and 14
i. Restrictions on products/services offered	Sections 1, 5, 7, 8.3, 8.4, and 10.1 of Franchise Agreement	Item 16
j. Warranty and customer service requirements	Sections 6.3, 7, and 8.3 of Franchise Agreement	Item 11
k. Territorial development and sales quotas	Not applicable	Not applicable

OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
l. Ongoing product/service purchases	Sections 3.4, 4, 5, 7, 8.1, and 10.2 of Franchise Agreement	Items 8 and 11
m. Maintenance, appearance, and remodeling requirements	Sections 4 and 5, and Exhibit C of Franchise Agreement	Item 8
n. Insurance	Section 15 of Franchise Agreement	Item 7
o. Advertising	Sections 6, 11.2, 11.3, and 11.4 of Franchise Agreement	Items 6, 8, and 11
p. Indemnification	Sections 7.8, 14 and 18.1 of Franchise Agreement	Not applicable
q. Owner's participation/ management/staffing	Sections 8.1 and 8.2 of Franchise Agreement	Items 11 and 15
r. Records and reports	Section 13 of Franchise Agreement	Item 11
s. Inspections and audits	Sections 3.3, 5.1, 8.3.C, and 13.4 and Exhibit C of Franchise Agreement	Items 5, 6, 8, and 11
t. Transfer	Section 17 of Franchise Agreement	Item 17
u. Renewal	No renewal rights (see Section 2.2 of Franchise Agreement)	Item 17
v. Post-termination obligations	Sections 7.6, 11.2, 12.1, 13.2, 14, 17.5, 18, 19.4.B, 20, 21.1 and 21.2 of Franchise Agreement; Guaranty	Item 17
w. Non-competition covenants	Sections 1.2.A, 8.4, 17.5, 19.1.B.3, and 21.2.D of Franchise Agreement	Item 17
x. Dispute resolution	Sections 24.1, and 24.5 of Franchise Agreement	Item 17
y. Guaranty	Preamble to the Franchise Agreement and the Guaranty	Item 15

ITEM 10

FINANCING

Except as described below, generally we do not offer direct or indirect financing for franchised The Luxury Collection hotels or guarantee any of your financing, loans, or other obligations. However, from time to time, under very limited circumstances and at our sole discretion, we may offer certain hotels credit support in the form of a contingent guaranty of a portion of a loan provided by a third-party lender, or we may make a mezzanine loan. In determining whether to offer you credit support or make a mezzanine loan, we will consider, among other factors: (i) market penetration opportunities; (ii) the size and location of your hotel; (iii) the economic and financial environment; (iv) the cost to you to complete the development or conversion of the hotel; (v) whether our offer of credit or financial support would aid in the successful development or conversion of the hotel; (vi) whether you are willing to commit to playing an active role in growing the system; and (vii) whether you meet our then-current criteria.

Because we generally do not offer loan guaranties, if we do offer to make a contingent guaranty of a loan provided to you by a third-party lender, the terms and conditions of such guaranty may vary, such as the amount of the guaranty (for example, a percentage of the principal balance of the loan or a percentage of the hotel development costs), your repayment obligations, the guaranty fee, interest, fees, costs, penalties, security interests, default provisions, and requirements for a personal guaranty. You may be required to sign certain documents in connection with the loan guaranty, such as a Credit Enhancement Commitment Letter, Reimbursement Agreement, Equity Pledge, and Guaranty. Because the terms of financing arrangements, guaranties, and related documents vary, we do not have standard form documents but have included certain sample financing agreements in Exhibit P for informational purposes only. These documents are samples, and the final documents may vary considerably depending upon which lender you select, the terms of the loan, and other lender requirements.

Because we generally do not make mezzanine loans and they are subject to the unique financial terms related to your hotel, we cannot determine in advance the key terms of any such loan we may choose to make, such as the amount, the annual percentage rate, the term of the loan, the number and amount of the payments, the type of security required for the loan, personal guaranty requirements, and default provisions. We may sell or assign any interest we have in any promissory note you execute in our favor or any loan we may advance to you. We do not have sample mezzanine loan documents. Those documents, including the intercreditor agreement between your primary lender and us, will be determined at the time of loan origination.

* * *

Except as otherwise noted, any programs or incentives that you are entitled to receive are personal to you, may not be combined, and will terminate and not transfer in connection with a transfer of the hotel to a third party, a change in control, or other relicensing transactions.

ITEM 11

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

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

Pre-Opening Assistance

Before your hotel opens for business as a The Luxury Collection hotel, we will:

(1) Make available to you the product quality standards and such other information for planning, constructing, renovating, and furnishing your hotel and a list of specifications for furniture, fixtures, and equipment (including computer hardware and software) and inventory supplies (Franchise Agreement – Section 4.4). Please note that we do not claim, represent, or warrant that the product quality standards comply with any applicable local, state, or federal laws, codes, ordinances, or regulations. You must pay the entire cost of constructing or converting and equipping your hotel (Franchise Agreement – Exhibit C (New Development) – Section 1.F; Exhibit C (Conversion) – Section 2.F). See Items 5, 7, and 8.

(2) Review the construction drawings and plans to assess compliance with the product quality standards (Franchise Agreement – Section 4.4.C). Please note that we do not review your drawings and plans for compliance with any applicable local, state, or federal laws, codes, ordinances, or regulations (Franchise Agreement – Section 4.4.D).

(3) Assess compliance with the product quality standards periodically during the construction or conversion of your hotel (Franchise Agreement – Exhibit C (New Development) – Section 1.G; Exhibit C (Conversion) – Section 2.G).

(4) Provide input to assist you in procuring operating supplies or furniture, fixtures, and equipment (Franchise Agreement – Section 5).

(5) Visit your hotel when you tell us construction or conversion is complete to ensure that you have complied with the final plans, specifications, and product quality standards and to determine if the hotel is ready to open and operate under the system (Franchise Agreement – Exhibit C (New Development) – Section 3; Exhibit C (Conversion) – Section 4).

(6) Provide hotel staff with on-site training or training tools necessary for operating system hotels (Franchise Agreement – Section 9).

(7) Train your general manager and your hotel management team (see Item 5 and below in this Item 11 for additional details regarding training) (Franchise Agreement – Section 9).

(8) Make available our manuals, procedures, systems, guides, programs (including our quality assurance program), requirements, directives, specifications, product quality standards, and such other information and initiatives for operating hotels in the system (the "standards") to you through our electronic systems or in such other manner we deem appropriate (Franchise Agreement – Section 10.1). The standards are confidential and are our property. We may change the standards at any time. We have included a reference to certain standards and resources for your information at Exhibit J.

(9) If your hotel is structured so that it involves residential or condominium units, we and our outside counsel will review the condominium declaration and other operational, maintenance, and governance documents to assess compliance with our standards and criteria. We will also review all sales,

advertising, and promotional materials to assess compliance with our standards and criteria. You must obtain our approval of all such materials prior to the commencement of any sales activities. We are not, however, obligated to provide you with any advertising or marketing materials related to the sale of the condominium or residential units.

Site Selection, Construction, and Opening Assistance

Generally, we do not participate in your selection of a site for your hotel or assist you in the negotiation of a purchase or lease agreement with respect to the site. When you submit an application for a franchise, you must identify the site you propose. We will review the site for its general location, size, visibility, accessibility, relationship to customer generators, and competitive environment. If we do not authorize the site you have selected, we will not approve your application.

We will generally allow you 15 months from the date we approve your application for new development to begin construction of the hotel. We expect the hotel to be open for business between 18 and 24 months from the date you begin construction (Franchise Agreement – Exhibit A – Items 13 and 14; Exhibit C (New Development) – Sections 1.A and 1.B; Exhibit C (Conversion) – Sections 2.A and 2.B).

The total length of time that it actually takes to open your hotel as a The Luxury Collection hotel may be affected by a number of factors, including the size of the project, local building conditions, and other construction variables, such as the ability to obtain financing, the requirements of local government authorities, weather conditions, shortages of materials, and delays in installation of equipment, furnishings, and signs.

Post-Opening Assistance

During the operation of the franchised business, we will:

(1) Make representatives available at our designated offices or at your hotel to consult with you about the design and operation of your hotel (Franchise Agreement – Section 9.2).

(2) Make available to you certain electronic systems, including a reservation system (Franchise Agreement – Section 7). We may suspend your hotel from the reservation system during any period in which you are in default of your franchise agreement obligations (Franchise Agreement – Sections 7.3 and 19.3).

(3) Take all steps reasonably necessary to preserve and protect the ownership and validity of the Proprietary Marks in the United States, except for those that we determine cannot or should not be maintained (Franchise Agreement – Section 11.1.A.2); and indemnify you against claims that your proper use of a principal trademark that is registered on the Principal Register of the United States Patent and Trademark Office infringes the rights of any third party unrelated to you if you satisfy certain conditions (Franchise Agreement – Section 11.1.B).

(4) Make our standards available to you (Franchise Agreement – Section 10). As discussed above, our standards are subject to change at any time.

(5) Offer certain training programs for the hotel's or your management personnel (Franchise Agreement – Section 9.1). We may charge tuition, fees, or reimbursements for some or all of these training programs (Franchise Agreement – Sections 3.3 and 9.1).

(6) Provide for an association of system franchisees, who are in compliance with certain membership requirements, to consider and make recommendations on matters relating to the operation of the system (Franchise Agreement – Section 10.3). Franchisees of The Luxury Collection hotels and we are members of the association, together with franchisees of other full-service Company Brand Hotels.

(7) Direct the Marketing Fund activities, including the placement and allocation of such funds (Franchise Agreement – Section 3.7.B).

(8) Review your plans for upgrading and remodeling the hotel for the limited purpose of assessing compliance with the standards and any applicable property improvement plan (Franchise Agreement – Section 4.4.C).

Marketing and Advertising

We administer a marketing fund (the "Marketing Fund") for advertising, sales and marketing, promotional programs, and research for franchised and managed hotels in the United States and Canada.

You must pay to us a Marketing Fund Contribution in an amount equal to 1.0% of gross room sales for the previous month, which will be charged as part of the Program Services Contribution (and may be capped at $450,000 per year per hotel) (Franchise Agreement – Section 3.7.B; Exhibit A – Item 12). All sums that we receive under the Marketing Fund are deposited in an account under our control and may be commingled with other funds (Franchise Agreement – Section 3.7.E). We have no obligation to separate income or expenditures between the various Company Brand marketing funds. We may change the allocation and amount of the Marketing Fund Contribution, and you will be bound by any such change (Franchise Agreement – Section 3.7.B). All franchisees contribute to the Marketing Fund, but the contribution amounts and rates vary. Hotels operated by us and our affiliates are generally required to contribute to the Marketing Fund, but may not be required to do so on the same basis as franchisees.

We administer the Marketing Fund for managed and franchised Company Brand Hotels located in the United States and Canada together. We have the right to: (i) merge or operate separate Marketing Funds for hotels located in the United States and Canada; (ii) combine the Marketing Fund with marketing funds in other regions or countries; (iii) add or remove Company Brands from the Marketing Fund; (iv) discontinue the Marketing Fund or Marketing Fund Activities (as defined below); and (v) establish other methods of funding Marketing Fund Activities (Franchise Agreement – Section 3.7.B). We also have the right to pool monies from various Company Brand marketing funds to engage in global, multi-brand marketing activities. Participating Company Brands and Company Brand Hotels may not benefit on a pro-rata basis from such activities. The Marketing Fund is not required to be audited. At your request, we will provide to you an accounting of Marketing Fund revenues and expenditures for any fiscal year if such request is made between 90 and 180 days after the end of such fiscal year (Franchise Agreement – Section 3.7.E).

In 2025, including both managed and franchised hotels overall expenditures from the Marketing Fund, 61.2% were allocated to generate awareness, trial and loyalty (including: for global marketing– development and execution of the marketing plan and strategies through all marketing channels; and for marketing programs – advertising, public relations, collateral and promotions); 3.4% were allocated to strategic planning and product positioning (including global brand, global consulting, experience design, data analytics, and guest tracking); 31.5% were allocated to drive and capture demand through sales and channels (including global sales, growth & delivery, global technology, and continent sales and marketing management); 1.3% were allocated to distribution and revenue strategy (global distribution strategy and

revenue management); and 2.6% was allocated to administer the marketing fund (including finance, accounting, human resource management expenses, ESG, and privacy).

Each of the categories of expenditures of the Marketing Fund includes an allocation for all or a portion of the salaries of personnel involved in the production and provision of the services related to such category. For example, the salaries of personnel responsible for the development, execution, and management of the marketing plan and strategies are allocated to the global marketing category. Primary factors used in determining the portion of a person's salary allocated to the Marketing Fund include the amount of time spent by such person performing services related to Marketing Fund Activities relative to other services performed by such person.

Marketing Fund monies may be used by us to cover the cost of various activities and programs, including: brand communication; brand strategy and brand development activities; the creation, production, placement and distribution of advertising, marketing, promotional, sales and public relations concepts, press releases, materials, plans, programs, brochures, or other information to be released to the public, whether in paper, digital or electronic, or in any other form of media; advertising, marketing, promotional, public relations, inventory management, programs, sponsorships, seminars and other sales activities, including the MI Leads program, the Global Sales Agent group booking program, and one yield system support, market research and oversight and management of the guest satisfaction program and loyalty programs, as well as EMPOWER Sales (ARM) hotel user licenses; the development and maintenance of Company Brand websites, mobile applications, browser-based applications, and other advertising and marketing technologies, including enhancements and upgrades to these technologies, and cybersecurity, privacy, and data management measures; and the retention or employment of personnel, advertising agencies, marketing consultants, and other professionals to assist in the development, implementation and administration of any such activities (collectively, "Marketing Fund Activities") (Franchise Agreement – Section 6.2.A). The activities and content that are supported by the Marketing Fund will change from time to time as determined by us, and may vary by region, but no monies will be used to solicit the sale of franchises. Marketing Fund monies may be used to pay all costs, including administrative costs, salaries and overhead, and collection and accounting costs, incurred by us for the Marketing Fund and the Marketing Fund Activities (Franchise Agreement – Section 3.7.E). We may make loans to the Marketing Fund and use contributions to the Marketing Fund to repay such loans plus interest (Franchise Agreement – Section 3.7.E). We may commingle monies in the Marketing Fund with other Company Brand sales and marketing funds and other monies and do not hold the monies in the Marketing Fund as a trustee or as a trust fund. We have no fiduciary duty to you for the Marketing Fund (Franchise Agreement – Section 3.7.E).

We may advertise and market hotels through one or a combination of the following channels: broadcast media (including television and radio), digital media (including search engines, web banners, mobile channels, social media networks, mobile applications, browser-based applications, and online listings), print media (including newspapers, magazines, and marketing collateral), "out-of-home" advertising (including airport, in-flight, and transit billboards), public relations activities, content marketing, events, promotions, sponsorships, and partnerships. We may use our in-house department or an advertising agency to develop our advertising and marketing communications. Our media coverage may be on a local, regional, national, international, or global level.

We or our designee will direct the activities of the Marketing Fund using our discretion over the concepts, materials, media used, and fund allocations. The advertising and marketing activities supported by the Marketing Fund are intended to promote general public recognition of Company Brand Hotels and use of the system, and we have no obligation to ensure that any particular Company Brand Hotel, including your hotel, benefits from Marketing Fund Activities on a pro-rata or other basis or that your hotel will benefit from the Marketing Fund Activities proportionate to your contribution (Franchise Agreement – Section 3.7.D). We will use the Marketing Fund for purposes that benefit or include The Luxury Collection

hotels as a whole, certain groups of The Luxury Collection hotels, and other Company Brands in addition to The Luxury Collection hotels (Franchise Agreement – Section 3.7.D), and we will allocate the cost of such advertising and marketing activities among the marketing funds of the participating Company Brands (including the Marketing Fund) as we determine. Design Hotels, MVW Licensed Brands, and Homes and Villas by Marriott Bonvoy may not contribute to the Marketing Fund.

Given the inherent degree of variability in forecasting contributions to and expenditures from the Marketing Fund and the impact of currency exchange rates, it is not uncommon for contributions to be more or less than expenditures in any year. For years in which contributions to the Marketing Fund are more than expenditures from the Marketing Fund, any amount not used in that year will be carried over to and spent in subsequent years. If contributions to the Marketing Fund are less than expenditures from the Marketing Fund in any year, we may, but are not obligated to, make a loan to the Marketing Fund to cover the shortfall. In such case, we would treat the loan (and any interest thereon) as a receivable to be repaid from the amounts allocated to the Marketing Fund by the Program Services Contribution in future years, after deducting such future years' Marketing Fund expenditures.

You are responsible at your own expense for undertaking local advertising, marketing, promotional, sales, and public relations programs and activities for your hotel in accordance with such standards and specifications as we may develop (Franchise Agreement – Section 6.1.A). You must use signs and other marketing materials only in the places and manner approved or required by us and in accordance with the standards and applicable law. You must deliver samples of marketing materials not provided by us and obtain prior approval from us before any use. If we withdraw our approval, you must promptly stop using such materials. Any marketing materials developed by you may be used or modified by other Company Brand Hotels without compensation to you (Franchise Agreement – Section 6.1.B). You must conduct an opening advertising and marketing campaign that complies with our standards (Franchise Agreement – Exhibit C (New Development) – Section 5; Exhibit C (Conversion) – Section 6).

We have a council composed of franchisees, our brand managers, and market representatives that provides suggestions and advice concerning the Marketing Fund and to which we present information regarding current and future Marketing Fund expenditures. We choose the members of the council to represent a variety of franchisee interests and skills. The role of the council is purely advisory, and the council does not have the power to make decisions regarding the Marketing Fund or Marketing Fund Activities. We have the power to change or dissolve the council.

We may provide, and you must participate in (at your cost), sales and marketing programs and activities that are not funded by the Marketing Fund, such as email marketing, internet search engine marketing, transaction-based paid media programs, sales lead referrals and bookings, cooperative advertising programs, travel agency programs, incentive awards, gift cards, guest satisfaction programs, complaint resolution programs, and loyalty programs. These programs may vary in duration, apply on a local, regional, national, international, global, or category basis, or include other Company Brand Hotels (Franchise Agreement – Section 6.3). We do not have any local or regional cooperative advertising programs in which franchisees must participate. We reserve the right to form, change, dissolve, or merge cooperatives at any time.

We also anticipate developing local, regional, national, international, global, or category sales and marketing programs and initiatives where your participation is encouraged, but not required. If such a program or initiative is developed, franchisees will be notified by email or by other means prior to the commencement date of the program or initiative. Some of these programs or initiatives will require you to "opt out" of the program or initiative if you do not wish to participate. The notice announcing the program or initiative will also include instructions on how to opt out of participation in the program or initiative. If you do not comply with the opt out procedures by the date set forth in the notification, you must participate

in the program or initiative and will be responsible for paying the costs associated with such program, which will be reasonably allocated by us among participating hotels.

You must maintain a portfolio of professionally-rendered, high resolution photographs of your The Luxury Collection hotel in accordance with the standards. The photographs must be captured and processed by an approved professional photographer. The photographs must be no more than five years old. Hotels converting to the Marriott system and newly renovated hotels must complete a photo shoot within 60 days after conversion or completion of the renovation, as applicable. The cost of a new portfolio of 20 photographs is estimated to be at least $15,000.

If your hotel is structured so that it involves residential or condominium units, we will not provide you with any advertising or marketing materials related to the sale of the residential or condominium units and will not have a separate marketing fund or program for such units.

Marriott Sales Organizations

We have established organizations that provide sales and support services to Company Brand Hotels in certain markets, including the Global Sales Organization ("GSO"), area sales organizations, group sales organizations, international sales organizations, and field sales organizations (the "Marriott Sales Organizations"). Participation in the GSO is mandatory. Participation in the other Marriott Sales Organizations is generally optional, and you must pay our then-current charges for leads that you accept (see Item 6). The service agreements for the Marriott Sales Organizations are attached in Exhibit K. We may establish new sales organizations, or merge or discontinue existing sales organizations at any time. We may also offer optional services or programs at an additional cost.

Computer System Requirements

Except for any item designated as optional, you must purchase, lease, or license from us or our designee, and use in your hotel, the following computer systems, software, and applications, and pay the charges specified below, which include your share of the costs for developing, maintaining, updating, upgrading, and supporting such systems and software:

(1) **Property Management System**. You must use the property management system that we designate (the "PMS"). The PMS is used for front office, back-of-the-house, and other hotel operations. The cost to implement the PMS for a 200-guestroom Luxury Collection hotel is estimated to range from $151,000 to $274,000. The ongoing Marriott support costs associated with the PMS are covered by the Program Services Contribution. Ongoing third-party costs associated with the new PMS are estimated to range from approximately $15,000 to $30,000 per year.

If you sign a franchise agreement for an existing The Luxury Collection hotel or for a new-to-system hotel to be opened in 2026, you may be required to implement our legacy approved property management, reservation, and yield management systems and transition to the new systems in 2027. The amount payable to us or our approved vendors in connection with the implementation of the legacy systems ranges from $106,000 to $198,000. The ongoing Marriott support costs for the legacy PMS are covered by the Program Services Contribution. The cost of transitioning from the current approved system to the new system will range from approximately $19,960 to $30,785 per hotel, plus $223 to $282 per guestroom at the hotel, and is payable by you. The transition process will consist of a series of key milestones that you must complete in a timely manner (approximately 10 milestones). If you fail to timely complete any key milestone in the transition process, we may charge you a fee ranging from $7,000 to $20,000 per milestone to address administrative, coordination, and operational impacts, and we may complete the milestone on behalf of the hotel. Hotels participating in revenue management advisory services must pay an additional

$2,700 for revenue management advisory services associated with the transition. The ongoing cost of the new PMS will be covered by the Program Services Contribution.

Your costs may differ materially from these estimates depending on the number of guestrooms and interfaces at your hotel and any optional hardware or additional services you choose. You must install our two-way interface to the PMS, and, depending on the types and quantities of PCs, terminals, and printers in the hotel, there could be additional equipment purchases. The PMS server(s) must be updated or replaced every four years, or as needed to meet evolving application requirements.

(2) **Consolidated Inventory and Total Yield ("CI/TY")**. CI/TY is a required web-based sales and services system. CI handles account, contact, and opportunity/lead management, as well as property sales, event space inventory, and event management. TY applies revenue management techniques to group business for guestrooms and function space. The cost to implement CI/TY is approximately $22,000 and is payable to us. The ongoing cost of CI/TY is covered by the Program Services Contribution.

(3) **Guest Experience Platform**. EMPOWER: Guest Experiences software ("GxP") and EMPOWER: Guest Experiences Reservations Add-On License are required as part of Marriott's guest experience platform. GxP is a cloud-based software that enables hotels to track and process mobile guest service requests and chats, as well as pre-arrival planning and guest complaints. The software also tracks guests' preferences during their stays at Company Brand Hotels and makes such information available to your hotel. The EMPOWER: Guest Experiences Reservations Add-On License allows hotels to identify guests and access guest profiles, performs reservation tasks (such as loyalty program redemption stays), interacts with limited group and inventory functions, and tracks and resolves customer complaints. It is required for hotels that have on-property reservations agents. The Program Services Contribution covers the cost of GxP licenses and GxP Add-On Licenses, and the Marketing Fund covers the cost of a supplemental license referred to as the EMPOWER/Sales ARM. Other supplemental software licenses may be available at an additional cost.

(4) **Point-of-Sale ("POS") System**. The POS system integrates with the property management system and is used for food and beverage, retail, spa, golf, and other sales outlets at your hotel. You must use the POS system that we designate. Installation and training for the POS system will be performed by our approved vendor at your cost. The cost to implement the POS system is estimated to range from approximately $40,000 to $130,000 for a typical The Luxury Collection hotel with three to five workstations. The ongoing Marriott maintenance and support fees are covered by the Program Services Contribution. You must pay an additional charge of $17 to $30 per month per POS workstation at the hotel, which includes the cost of patching services relating to the POS system. Additional ongoing software and hardware support fees for the POS system will be charged directly by our approved vendor. The fees consist of an annual software hosting fee of approximately $710 per hotel plus $265 per software license, and an annual software support fee of approximately $1,420 per hotel plus $133 per software license. The annual hardware support fee (recommended) is estimated to be approximately 15% of the cost to purchase the POS system hardware. The estimated third-party costs associated with the POS system are provided to us by our vendors and are subject to change. Add-on services may be available at an additional cost.

(5) **Reservation System and Yield Management System**. You must use the reservation system and yield management system that we designate for The Luxury Collection hotels. The reservation system assists with reservations, check-in, charge posting, accounts receivable, night audit, check-out, housekeeping, and guest history. The yield management system is a web-based guestroom inventory management system that provides forecasting tools and makes inventory recommendations. The reservation system and yield management system will interface with your hotel's PMS. The initial costs associated with the reservation system and yield management system are included in the PMS system costs

described above. The ongoing costs of the reservation system and yield management system are covered by the Program Services Contribution.

(6) **Marriott Communications Network ("MCN") and Property Network Standards**. In order to securely connect to Marriott business applications and services that are hosted off-property, a connection to the Marriott Communications Network (MCN) is required. A Marriott router installed at your hotel provides end-to-end encryption to the MCN. All hotels are required to have primary and failover internet connections for MCN connectivity, for which you are strongly encouraged to use Marriott-approved Internet Service Providers (ISP). A secondary internet connection for MCN connectivity is recommended to maintain full connectivity in the event the primary internet connection fails; the required failover connection only provides connectivity to critical Marriott applications. The ongoing Marriott support charge for MCN connectivity (including Marriott router) is covered by your Program Services Contribution. The internet connection costs are payable directly to third-party vendors.

You may also install and maintain a franchisee-managed network ("FMN") for hotel devices. The cost to implement an FMN will range from approximately $25,000 to $30,000. We cannot estimate the ongoing cost of the FMN because the cost will vary depending on the vendor you choose and the services rendered. Marriott will not access, control or manage the FMN.

An on-property Wi-Fi network for the benefit of the hotel and guests is also required. The estimated cost to implement a Wi-Fi network meeting our Global Property Network Standards (GPNS) ranges from approximately $650 to $1,000 per guestroom. The ongoing cost of the Wi-Fi network is estimated to be approximately $2.50 to $8.50 per month per guestroom. These amounts are payable directly to approved third-party vendors (i.e., LAN Service Provider (LSP)). More information about GPNS is available on Marriott Global Source (keyword search: GPNS). Marriott generally requires the Wi-Fi network to be upgraded or replaced every three to five years.

Minimum bandwidth requirements for the entire Hotel are based on room count, the number of optional services subscribed to by the hotel and the number of users of those applications. Primary and secondary internet connections can be shared across Marriott, Franchise and guest networks. Hotel-specific bandwidth recommendations are available on Marriott Global Source (keyword search: Minimum Bandwidth Standards). Additional fiber optic networking and cellular augmentation (e.g., distributed antenna systems) are available from third-party vendors at an additional cost and may be required in certain circumstances.

All network hardware is required to be replaced prior to reaching the manufacturer's End of Life (EOL) date.

In connection with the MCN, franchisees may retain a third-party managed service provider (MSP) to support IT infrastructure, assist in cyber security incidents, ransomware detection, and endpoint security response, and manage pressing compliance and IT risk management situations. We anticipate that the cost to engage an MSP will be approximately $4,000. Your ongoing costs will vary depending on the MSP you choose and the services that they provide.

(7) **Continent Field Support**. All devices connected to the MCN must be enrolled in the Continent Field Support program. Continent Field Support provides hotels with a centralized point of contact for support relating to the MCN, PMS, POS, and other required systems and infrastructure. The cost of Continent Field Support is $7.34 to $13.75 per month per device. The Program Services Contribution covers the cost of Continent Field Support for approximately 13 devices. We may assess this charge for additional devices on a per user, per- hotel, or other basis in the future.

(8) **Digital Guest Services**. This application allows guests to use mobile devices (phones and tablets) and web browsers to check-in, check-out, receive room ready alerts, and place service requests. The cost to implement Digital Guest Services is approximately $2,000. The ongoing cost of Digital Guest Services is covered by the Program Services Contribution.

(9) **Digital Food & Beverage Services**. This optional application allows guests to use mobile devices (phones and tablets) to place orders for pick-up and delivery at the hotel's food and beverage outlets. The cost of a Digital Food & Beverage Services application varies depending on whether the application is integrated into the hotel's POS system. The cost to implement a Digital Food & Beverage Services application that is integrated to the POS system is approximately $4,000 to $6,000 per revenue center, which includes the cost of a point-of-sale license and one year of support. The ongoing cost of a Digital Food & Beverage Services application that is integrated to the POS system is approximately $2,200 to $3,500 per revenue center per year, depending on the number of guestrooms at the hotel. A non-integrated version of the Digital Food & Beverage Services application is also available. The cost to implement the non-integrated version of the Digital Food & Beverage Services application is approximately $1,440 per revenue center. The ongoing cost of the non-integrated Digital Food & Beverage Services application is approximately $1,440 per revenue center per year. Additional costs may apply if the hotel has multiple revenue centers processing food and beverage outlet orders. These amounts are payable to third parties. Optional enhancements to Digital Food & Beverage Services and add-on programs and services, such as credit card processing services and a table/amenity reservation and management platform, are available at an additional cost.

(10) **Hotel Lock System (including Mobile Key)**. You must implement an electronic lock system from an approved lock vendor, including certified plastic (RFID), heart-of-house keys, and a mobile key component that complies with our standards. The cost to implement a new lock system is estimated to range from approximately $250 to $375 per guestroom lock (excluding the cost of cover plates and custom strikes) plus $12,500 to $18,500 for the infrastructure to support the lock system, which includes the cost of dedicated servers (if any) and other hardware, installation, training, and vendor management costs. The Marriott support costs associated with the implementation of the mobile key component of the lock system and the ongoing cost associated with the mobile key component of the lock system are covered by the Program Services Contribution. To the extent your lock system is hardware-based, you must annually update lock system server(s) at a cost ranging from approximately $1,900 to $4,000 per year. We or our approved vendors may require all system hotels to transition to a cloud-based lock system in the future. The cost to transition from a hardware-based lock system to a cloud-based lock system is not yet known but may range from approximately $3,500 to $5,000 per hotel plus $10 to $18 per lock. Costs may vary significantly depending on the current guestroom locks and support infrastructure installed at the hotel and the specifications of the new lock system that you implement. The ongoing third-party costs associated with a cloud-based lock system are not yet known. The lock system and servers must be replaced periodically. The average life span of a lock system is approximately 10 years, and the average lifespan of a server is approximately 5 years. We may implement direct to room arrival technology and wallet keys in the future.

(11) **Mobile Device and Application Management and Mobile Application Access**. This program allows authorized users to access their Marriott email accounts and certain other Marriott applications on mobile devices. The cost of the program ranges from $2.75 to $4.50 per device per month and is payable to us.

(12) **M365 and Email Lite Solution**. The current, approved Microsoft M365 F3 suite with Email Lite includes web-based versions of Microsoft Office (e.g. Word, PowerPoint Excel, Outlook) and email (2GB), as well as Teams, OneDrive (2GB), and SharePoint. It also includes version updates, patching, security and device management software, and certain product support. Audio conferencing is available on

request. All hotels must have at least one M365 F3 suite with an Email Lite solution. The Program Services Contribution covers the cost of an M365 F3 suite with up to seven Email Lite solutions. The cost of each additional M365 F3 suite with an Email Lite solution is estimated to range from approximately $11.21 to $14.00 per month. Optional, enhanced version of M365 with email (including suites with desktop versions of the Microsoft Office and additional storage) are available for a cost ranging from $13.71 to $68.08.

(13) **Guestroom Entertainment Platform ("GRE Platform")**. This platform allows The Luxury Collection hotels to provide an at-home television viewing experience to guests. To implement the program, hotels must acquire either a smart television or a set-top box and non-smart television for each guestroom and acquire access to approved entertainment applications (such as Amazon Prime, Netflix, and traditional linear channels). The cost to implement a GRE Platform is approximately $20,000, plus $80 per guestroom. The cost of a smart top box, if needed, is approximately $125 per device. The ongoing cost of the GRE Platform is estimated to range from approximately $15 to $25 per guestroom per month. These amounts are payable to third parties. We will control the content delivered to guests through the GRE Platform and other media systems at the hotel and we may derive revenue from such activities.

(14) **Lobby PC**. You must maintain one or more computer kiosks in a public area for guest use. The average cost of a computer kiosk with a printer is approximately $2,500, and the annual cost for hardware and software support is approximately $600.

(15) **Associate Alert Devices**. You are solely responsible for implementing a security policy for the hotel. The security policy must include associate alert devices with geolocation capabilities that allow staff to summon assistance in the event of an emergency. A device must be provided to each staff member that is regularly in contact with guests in enclosed spaces. The cost to implement the associate alert device program is approximately $22,000 to $36,000, including a $283 implementation fee payable to us. The ongoing cost of the associate alert device program is approximately $2.00 per guestroom and public space per month for vendor support.

(16) **EV Charging Stations**. You must comply with our standards relating to EV charging stations. The initial cost of EV charging stations is included in building construction costs. The ongoing cost of EV charging stations ranges from $700 to $1,500 per year, depending on the number of charging stations at the hotel. These amounts are payable to third-parties.

(17) **Global Recipe Database**. This software application allows users to control recipe creation, components, costing, sharing, and scaling. The cost of Global Recipe Database is $1,000 per year for the software license and is payable to our vendor, BirchStreet Systems. In addition, you must pay to us an annual maintenance charge of $1.00 per guestroom (not to exceed $800 per year).

(18) **Intranet Website and MDash**. Marriott Global Source ("MGS") is an intranet website available through the Marriott network or by the Internet. MGS contains information such as standards, Marriott communications, and quality assurance information. The MDash portal provides hotel operators with a summary of key hotel performance metrics. The ongoing usage and support cost for the MGS and MDash is covered by the Program Services Contribution.

(19) **Information Security Managed Detection and Response Services**. You must purchase endpoint detection response software ("EDR") and use a managed detection and response service ("MDR") to monitor endpoints for suspicious activity. The EDR and MDR must comply with our standards. If you use our approved vendor, the Program Services Contribution will cover the cost of EDR and MDR for up to 12 devices, and the cost for each additional device is currently $34.80 per device per year. If you choose to use an alternate vendor, your costs may vary, and you must provide us with periodic certifications that you have obtained compliant EDR and MDR for every device at your hotel that accesses guest data.

(20) **MESH**. Marriott Environmental Sustainability Hub ("MESH") software assists a hotel in monitoring its sustainability by tracking a hotel's utility consumption and spend. The ongoing cost of MESH is covered by the Program Services Contribution. You must retain a qualified consultant to conduct an energy assessment of the hotel every three to five years. The cost of an energy assessment is estimated to range from approximately $15,000 to $30,000 for a 200- to 300-guestroom hotel. In addition, the hotel must offer carbon offset solutions to guests booking group stays or events at the hotel. Hotels may purchase carbon offset solutions from our designated vendors on behalf of guests or arrange for guests to purchase carbon offset solutions directly from our designate vendors.

(21) **Guest Messaging**. This service enables two-way digital communication between guests and hotel staff across approved messaging channels. The cost of guest messaging is estimated to range from $440 to $2,000 per year, and is payable to our third-party vendors.

(22) **Residential Software (if applicable)**. If your hotel has a residential, condominium, or multi-family component, you will be required to implement a computerized key control system and a residential property management system. The cost for a computerized key control system is estimated to range from $7,500 to $10,000 for installation, with an ongoing cost of approximately $500 per year. The cost for a residential property management system is estimated to be approximately $2,200 per year. Pricing for these systems will vary based on the systems you choose and the number of units at your project. You may incur additional costs for installation and training. You must maintain an additional GxP license for software specific to residential properties. The cost for an additional GxP license for your residential or condominium component is estimated to be $980 per year and is payable to us.

Updates, Upgrades, and Replacements. You must obtain the computer and other electronic systems, and related infrastructure, that we require. The systems and infrastructure must be maintained in a secure and vendor-supportable state, in accordance with the standards. You must install and use the updates, upgrades, and replacements to designated systems that we require. These systems are subject to change based on changes to consumer preference, data privacy and security standards and regulations, and vendor requirements. Each required system must be replaced at the end of its serviceable and secure life (i.e., the last date that manufacturer is committed to support and provide software updates for the device). Devices that are at the end of life, in particular devices for which security patches are no longer available, are subject to being disconnected from the Marriott Network, and/or having connectivity to business-critical applications restricted. There is no contractual limitation on the frequency or cost of your obligation to update, upgrade, or replace electronic systems. You are solely responsible for complying with vendor update, upgrade, and replacement requirements, at your expense. You must also enter into any maintenance contracts with third-party vendors that we may require. We have no obligation to provide ongoing maintenance, repairs, upgrades, or updates to any of the systems, hardware, or software you use. We may offer optional technology support, programs, and products at an additional cost.

Migration to Cloud. Over the next three years, Marriott will be deploying a cloud-based technology capability that will enable applications to run in a public cloud environment that were previously hosted on property. Examples include file printing, storage, and key lock servers. Capital expenditures associated with purchasing property-based infrastructure for these applications will be replaced by operating expenses associated with using a third party's cloud computing and storage services. The cost associated with this migration is not yet known.

PC and Server Management. All computers that are connected to the Marriott network or that use Marriott proprietary software and applications must comply with our standards and run our current approved version of Microsoft Windows. The cost for hardware, software, and installation for a computer that meets the standards is estimated to range from $1,200 to $2,500, depending on whether the computer is a desktop or laptop. This amount is payable to third parties. Each computer or server that is connected

to the Marriott network or that accesses Marriott applications must be supported by the PC and Server Management program, through which we provide certain software and support services and internet content filtering. The cost of the program is approximately $3.34 to $19.18 per computer per month, plus $30.10 to $119.03 per server per month. If you require additional support, you must pay our then-current fees, which may be computed on a per request ($4 to $235 per request) or hourly (approximately $120 per hour) basis, depending on the service requested.

Payment Processing and Tokenization.

(1) **Payment Card Industry ("PCI")**. You must comply with all rules and regulations promulgated by the credit card companies and associations, including current the PCI data security standards and our PCI compliance standards. You must install the updates and upgrades necessary to comply with these rules, regulations, and standards and pay for the expenses associated with the upgrades and updates, including training, equipment, and travel, meal, and lodging expenses.

(2) **Payment Processing**. You must accept the forms of payment we designate, implement the payment solution we designate (which may include a centralized payment processing program), and use chip and pin ready payment devices. The amount payable to us to implement a payment solution is approximately $3,000. The cost to purchase a chip and pin ready payment device from our approved vendor is estimated to range from approximately $270 to $925 per terminal device. In order to implement a chip and pin payment processing system, you must also acquire a PC that complies with our standards, runs our current approved version of Microsoft Windows, and is connected to the MCN. The cost to acquire a compliant PC is estimated to be approximately $1,300. We may create a centralized program to enable reginal payment methods in the future.

In addition, any restaurants, bars, or lounges satisfying the food and beverage requirements for the hotel may be required to implement a pay at table solution. The cost associated with this solution is anticipated to range from $300 to $500 per pay at table device and is payable to third parties. You must comply with our Marriott's Property Network Standard ("GPNS") in connection with implementing this and other payment solutions.

You must also use our preferred providers in connection with processing credit cards, including authorizations and settlements. The cost to implement a credit card processing solution is approximately $79 per hotel. Our preferred credit card processing vendor charges a credit card gateway services fee of $0.047 per settlement transaction, our current credit card acquiring service provider charges a fee of $0.01 per transaction, and the cost of credit card validation will be approximately $0.04 to $0.08 per transaction (which may be payable to us or to an approved vendor). Support fees of approximately $32 per month and annual software management fees of $252 per year will also apply. The cost of stand-alone tokenization is approximately $100 per month. These amounts may be payable to us or to third-party vendors. These costs will vary depending on the gateway service provider used by your hotel and the guest's credit card service provider. We may support additional vendors in the future or implement additional processes to comply with PCI security regulations or other security standards.

(3) **Tokenization**. Tokenization, the process of replacing credit card numbers with indecipherable data, is a required part of our ongoing PCI compliance effort. All credit card data processed or transmitted on the Marriott network via any property-based system and terminal must be tokenized. The cost to implement tokenization is $380 per device. The ongoing cost of tokenization is covered by the Program Services Contribution. It is anticipated that the tokenization program may be discontinued and replaced with a third-party vendor solution in the future.

Data. We have independent access to the system databases at your hotel. We own, and there are no limitations on our right to access, the information and data you maintain utilizing such systems and software, which will include information about guests, reservations, our loyalty programs, revenues, and other business information related to hotel operations.

Training

We have established training programs for our franchisees and certain personnel who perform key functions at hotels. All required training must be completed to our satisfaction within the time periods we designate, and verification of successful completion must be presented at our request. If you hire a replacement for any personnel who must attend a training program, the replacement must successfully complete the appropriate training program.

We have implemented a learning and development bundle that covers the cost of certain required training programs, including the cost of the technology to deliver, provide access to, and track the progress of training programs. The cost of the bundle ranges from approximately $17.40 to $19.20 per guestroom per year. The cost of the learning and development bundle and the training programs it covers may be merged, modified, discontinued, or otherwise changed at any time. We will not be the trustee of, and will have no fiduciary duty to you for, the learning and development charge.

The following is a summary of required training programs, which are in addition to the initial pre-opening and opening training and support described in Items 5 and 7. Optional programs may be available at an additional cost. We reserve the right to modify the training requirements as needed. We may require additional training programs and courses when systems and operating standards change. Upgrades to our electronic systems may necessitate additional training. The subject matter, time required, location, and costs are subject to periodic change. Amounts listed in the column entitled "Cost" include tuition and materials, but do not include travel and living expenses of trainees, which must be paid by you.

TRAINING PROGRAMS

REQUIRED TRAINING PROVIDED BY MARRIOTT						
SUBJECT	**HOURS OF CLASS-ROOM TRAINING**	**HOURS OF ON-THE-JOB TRAINING**	**LOCATION**	**POSITION(S)**	**COST (in USD)***	**WHEN REQUIRED**
Brand & Service Training	Average of 10 to 16.5 hrs. for hourly associates, management level associates, and general managers	None	Varies	All associates	No additional charge (assumes virtual delivery format)	Within 60 days of hire
Ethics + Compliance Training [Includes legal, risk and compliance training]	Average of: 2 to 4 hrs. for hourly associates, management level associates, and general managers	None	Web-based	All associates	No additional charge (assumes virtual delivery format)	Generally, within 30 days of hire, but may be earlier if required by your jurisdiction; annual or bi-annual recertification as required by your jurisdiction

Functional Operations Training [Includes functional training for Engineering, F&B, Front Office, Housekeeping, Operations, Retail]	Average of 0.5 to 8 hrs., based on role	None	Varies	All operations associates	No additional charge (assumes virtual delivery format)	Within 30 to 60 days of hire
Administrative Training	Average 0.5 hrs max	None	Web-based	All associates	No additional charge (assumes virtual delivery format)	Within 14 days of hire
Electronic Systems Training [Includes sales and catering, reservations, revenue management, front office, marketing, reporting, mobile, and property data systems training]	4 to 50 hrs., based on role	None	Web-based	All associates	No additional charge (assumes virtual delivery format)	New hotels: Complete prior to opening Existing hotels with new hires: self-paced; recommended within 60 days of hire Existing Hotels with incumbent associates: self-paced when required
Loyalty Training	Average of 0.5 to 1.0 hrs. for hourly associates, management level associates, and general managers	None	Web-based	All associates	No additional charge (assumes virtual delivery format)	Within 30 days of hire
Global Privacy Training	Average of 0.5 hrs. for all associates	None	Web-based	All associates	No additional charge (assumes virtual delivery format)	Within 30 days of hire

SUBJECT	HOURS OF CLASS-ROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION	POSITION(S)	COST (in USD)*	WHEN REQUIRED
Alcohol Awareness Training	4 hrs.	None	Online	All managers and associates serving alcohol	Preferred vendor is TiPS (Training for Intervention Procedure), which charges $499 for new trainer certification, $79 annually for TiPS trainer re-certification; $40 per attendee for training materials and test	Within 3 months of hire; TiPS re-certification every 3 years (annual re-certification for trainers)
Food Allergen	Average of 0.5 hrs for associates who handle food and beverage and 1 hr for culinary/F+B managers	None	Web-based	Culinary/F+B managers and associates who handle food and beverages	Preferred vendor is MenuTrinfo, which provides training at no additional cost.	Within 60 days of hire
Food Safety Certification (Associates)	2 hours	None	Web-based	All non-management food handlers	Recommended vendor is ServSafe Food Handler, which charges $12.00 per person. Other vendor charges vary by region.	Within 60 days of hire; recertification every 2 years regardless of the applicable law. If you have an hourly associate with a management certification, the 2-year recertification requirement is waived

SUBJECT	HOURS OF CLASS-ROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION	POSITION(S)	COST (in USD)*	WHEN REQUIRED
Food Safety Certification (Management)*	8 hours	None	Web-based	All associates (management and non-management) in F&B services, culinary, kitchen & stewarding and event management are required to be trained in food allergies. Hotels can use any legitimate food allergen training course. This is a one-time training.	Recommended vendor is ServSafe Food Handler, which charges $143.20 per person. Costs may vary by region.	Within 60 days of hire; recertification every 5 years

*The cost estimates above assume that attendees will enroll in the web-based versions of these training programs. You must reimburse us for any travel, meal, lodging, and other expenses we incur to conduct in-person training. These costs may range from $250 to $750 per attendee. You must pay for your designees' costs to attend any required training programs. Cancellation fees may apply. During years in which we hold a regional General Managers Conference, the general manager of your hotel will be required to attend. During years in which we hold a continental General Manager and Sales Leader Conference, the general manager and sales leaders of your hotel are encouraged to attend. You must pay the costs for your hotel's attendees, including a conference registration fee and any travel and living expenses. Conference registration fees vary depending on the length and location of the conference. If required, you will be charged a conference registration fee even if your hotel's general manager does not attend the conference. The conference registration fee for the most recent regional General Managers Conference was $2,500 for each hotel general manager and $4,000 for each above-property attendee.

General manager brand immersions are required within the first six months of hire for all general managers who are new to the brand. General manager brand immersions are created and delivered by the global and continent brand teams and are typically offered in a cohort style session. Live programming includes two days of immersive content that covers key topics to successfully lead the brand on-property. The cost for your general manager to participate in brand immersions is $4,000 per person, plus travel and living expenses, which must be paid by you. Immersions may be offered virtually. General managers of: The Luxury Collection hotels that have not previously managed luxury hotels (or have not attended LuxU) will also be required to attend a 1.5-day GM Luxury Leadership Foundations program. The cost to enroll in the program is approximately $1,00 to $1,500, excluding travel, meal, and lodging costs, which must be paid by you.

We offer numerous, optional leadership and discipline-specific training programs that are held throughout the year at various locations. These training programs are intended to enhance personal and professional development. Certain optional advanced programs may require a per-participant fee generally ranging from $1,000 to $10,000. You are responsible for all travel, meal, lodging, and payroll costs for attendees.

New-to-Marriott franchisee executives must attend Executive Orientation at least 6 months prior to the hotel's opening date, or within six months of transaction on an existing hotel. You must pay our then-current fee for Executive Orientation, presently $795 per person.

If you desire to operate a hotel but we determine that you are not qualified to operate a system hotel without additional training, you must participate in the Franchisee Introduction to Marriott program ("FITM") for new-build hotels or the FITM-R program for existing Company Brand Hotels. FITM and FITM-R include executive level in-person meetings and self-paced, web-based training on the use of Marriott programs, systems, and services. You must pay our then-current enrollment fee, presently $40,000 for FITM and $60,000 for FITM-R. Alternately, if we determine that you are qualified to operate a hotel, but are unfamiliar with the system, we may require you to participate in the Franchisee OnBoarding for New Development program ("FOND") for new build-hotels or the Above-Property Immersion ("API") program for existing Company Brand Hotels, through which we provide additional self-paced, web-based training on the use of Marriott programs, systems, and services. You must pay our then-current enrollment fee, presently $20,000 for FOND or API. The ranges above exclude, and you must pay for the cost of, travel, meal and lodging expenses incurred by you and your designated attendees to complete training programs that are not conducted on site, such as Executive Orientation.

Franchisees that participate in FITM, FOND, FITM-R, or API must also undergo one non-accountable health assessment audit and, for a period of two years, participate in the Revenue Management Advisory Services program, the Customer Engagement Center Property Support Services program, our Digital Marketing program, and the sales programs we specify, at an additional cost. If you do not complete these programs by the time frame specified by us, you may: (a) incur additional fees and charges; (b) be required to retain an approved third-party management company to operate the hotel; and (c) be required to take other action steps. There may be changes to the program and the cost.

If any hotel operated by you, your affiliate(s), or your management company is placed in the Red Zone in any quality assurance tracking period, we may require you to participate in an Audit Program/GSS Improvement program and pay our then-current fee, presently $20,000 for the first 10 participants, plus $10,000 for up to an additional 10 participants. Designed to take place over approximately nine months, the Audit Program/Guest Experience and Accountability program will consist of additional training on brand standards, in-person meetings and webinars, and non-accountable audits for each applicable Company Brand Hotel, at your expense. If the training is not successfully completed, you will be required to hire a third-party management company consented to by us to operate the hotels. The requirement to participate in the Audit Program/GSS Improvement program is in addition to any other rights or remedies we may have under the franchise agreements or applicable law.

Residential Training (if applicable)

If your hotel has a residential or condominium component, you must also acquire our designated owner relations software system. The cost of the system is estimated to range from approximately $10,700 to $13,700. The ongoing cost of the owner relations software system is estimated to range from approximately $750 to $950. These costs are payable to third parties. In addition, if the residential or condominium component of your hotel has a unit rental program, you must participate in the Condominium Billing Support program, the cost of which is approximately $5.20 per unit.

If your hotel has a residential, condominium, or multi-family component, your director of residences (residential leader) must attend a five-day residential on-boarding training session. The charge is $2,000 per participant for this training, in addition you are responsible for your trainees' travel and living expenses. We estimate your travel costs will be $1,500 but may vary depending on the actual travel costs and number of attendees. You may also choose to participate in our regional or global residential training meetings, at your cost.

We have implemented a learning and development bundle that covers the cost of certain required training programs, including the cost of the technology to deliver, provide access, and verify the completion of required training. The cost of the bundle ranges from approximately $5.00 to $7.00 per residential, condominium, or multi-family rental unit per year. The learning bundle charge and the training programs it covers may be merged, modified, discontinued, or otherwise changed at any time. We will not be the trustee of, and will have no fiduciary duty to you for, the learning bundle charge.

ITEM 12

TERRITORY

Your franchise agreement will permit you to operate one hotel of a specific size at a specific site selected by you and approved by us. You will not receive the right to acquire additional franchises at any location. We and our affiliates have and retain the rights to, or license or franchise others to, develop, promote, market, own, operate, lease, license, franchise, and/or manage other hotels, lodging products or concepts, or other business operations (including The Luxury Collection hotels, other Company Brand Businesses, and lodging products operating under the MVW Licensed Brands) at any location, including locations adjacent or proximate to your hotel. These business operations may compete directly with, and adversely financially impact the operation of, your hotel.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we or our affiliates own, lease, manage, license, or franchise, or from other channels of distribution or competitive brands that we or our affiliates control.

You may not be granted a territory, but if you are, it will be non-exclusive. Generally, a territory: (i) will apply to The Luxury Collection hotels only (iii) will apply for a duration of five years or less; (iv) will not apply to any hotel that is existing or under development as of the date of the franchise agreement; (v) will not apply to any hotel or hotels that are members of a chain of hotels or a group of hotels (with a minimum of four hotels in operation) that is acquired by, merged with, franchised by, or joined through a marketing agreement with, us or one of our affiliates, or the operation of all or substantially all of such hotels is transferred to us or one of our affiliates, even if any such hotel converts to a The Luxury Collection hotel; and (vi) will not apply to any residential or condominium products or other lodging product developed by us or one of our affiliates (including products using our reservation channels, distribution channels, and loyalty programs). Generally, you will not be granted a territory in connection with the residential, condominium, or multi-family component of your hotel development project. If a territory is granted, specific terms for the grant of a territory, the size of the geographic area, and its duration will depend upon the market in which the site is located, and it will not include, either expressly or by implication, any right for you to develop additional hotels at sites within the territory or to enlarge the hotel at the approved site. If you are granted a territory, it may be defined as a radius around your hotel or delineated by streets, highways, or other geographical boundaries. The continuation of your territorial rights, if any, will not be contingent on your hotel achieving a particular sales volume or market penetration, but may be contingent on other factors such as the timely commencement of construction and opening of your hotel.

The franchise agreement does not provide you with any options, rights of first refusal, or similar rights to acquire additional franchises.

We may seek to resolve any conflict that arises between franchisees and us, or among franchisees, or concerning territories, customers, or franchisor support, on a case-by-case basis. In doing so, we will consider the rights and obligations of the parties under the applicable contracts.

We provide notice to Company Brand Hotel franchisees and owners of certain new development and conversion projects for Company Brand Hotels as set forth in our Growth Administration Guidelines, which are available on request. These guidelines currently provide notified owners and franchisees with an opportunity to respond in writing regarding any concerns they may have with respect to the proposed project, as well as an opportunity, if certain conditions are met, to request an independent impact study. These guidelines are subject to change or elimination.

You may face competition from other franchisees, from outlets that we or our affiliates own, lease, manage, license, or franchise, or from other channels of distribution or competitive brands that we or our affiliates control.

You may only solicit or accept reservations for your hotel through the means we designate or approve in writing. We currently have distribution agreements and relationships with online distribution channels including Expedia, Priceline.com, Booking.com, and Travel Ease. Access to your hotel's inventory by these channels is typically facilitated through a direct or third-party managed interface with our designated reservation system. In certain circumstances, some of our contracts with online distribution channels provide for access to hotel inventory through other means, such as by extranet. Franchisees may elect to participate on the terms set forth in our distribution agreements or may negotiate their own agreements with any online distribution channels as long as they are consistent with our designated best rate guarantee policy (as described in Item 16) and other applicable standards (which include criteria for approval of third-party distribution channels). If you elect to negotiate your own agreement with an online distribution channel, we will be under no obligation to support your business relationship with that online distribution channel, including by making available the use of our programs and systems such as our designated property management system, CTAC, and our designated reservation system in connection with the use of that channel. We prohibit franchisees from using certain online distribution channels and limit the inventory franchisees may make available to customers through certain online distribution channels.

Our and our affiliates' reservations, sales, and marketing personnel may market not only The Luxury Collection hotels, but also any other Company Brand Businesses, MVW Licensed Brands lodging products, and any other lodging products that become affiliated with us. They may use our reservation system, national and regional sales offices, purchasing arrangements, marketing and training services, and corporate headquarters personnel, and they may use all types and channels of distribution. Our representatives may recommend to customers lodging products other than The Luxury Collection hotels based on their needs and desires for location, availability of accommodations, level of services, amenities, and price.

We may establish other systems involving similar services or products, under different trademarks, and may establish company-owned, managed or franchised businesses for those other systems, in the hotel's territory.

ITEM 13

TRADEMARKS

We will give you the right under the franchise agreement to develop and operate a hotel to be designated as a member of "The Luxury Collection" brand subject to compliance with our standards. You may also use other current or future trademarks designated by us for the operation of your hotel. By "trademarks," we mean trade names, trademarks, service marks, logos, and other symbols used to identify your hotel, whether registered or unregistered. We or our affiliates have registered the following principal trademark on the Principal Register of the United States Patent and Trademark Office:

MARK	REG. NO.	REG. DATE
THE LUXURY COLLECTION	2033783	28-Jan-1997

We or our affiliates have registered the following principal trademarks on the Supplemental Register of the United States Patent and Trademark Office:

MARK	REG. NO.	REG. DATE
THE LUXURY COLLECTION RESIDENCE CLUB	3636970	09-Jun-2009
LUXURY COLLECTION RESIDENCE CLUB	4820039	22-Sep-2015

We have filed all required affidavits.

We also have filed the following application with the United States Patent and Trademark Office to register the following principal trademark:

MARK	APP. NO.	APP. DATE
THE LUXURY COLLECTION	97797946	16-Feb-2023

We do not have a federal registration for some of our principal trademarks. Therefore, those trademarks do not have as many legal benefits and rights as federally registered trademarks. If our right to use a trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses. Once we obtain a federal registration, however, our rights derived from federal registration of the trademark will be effective as of the filing date of the application.

You will identify your hotel using the hotel name we designate, which will contain some variation of The Luxury Collection trademark(s) and your chosen trademark (as described below). This mark is subject to change at our discretion. We may develop additional trademarks for use in the operation of The Luxury Collection hotels, or we may withdraw or substitute trademarks. You must modify or discontinue the use of a trademark or the hotel name at your expense if we modify or discontinue it.

We have the right to use, and to license others to use, the trademarks listed in this Item 13, because we either own those trademarks or have an agreement with an affiliate that owns those trademarks.

You may not use the words "The Luxury Collection," "Luxury Collection," "The Luxury Collection Hotels," "The Luxury Collection Residence Club," "Luxury Collection Residence Club," or any other trademark or confusingly similar mark or name in your corporate, partnership, or trade name, or in any other business or trade name, or otherwise in connection with any business activity or venture. You are also prohibited from using our trademarks or any confusingly similar trademarks in any email address or domain name (except as we authorize), mobile application name, or any other electronic identifier. In addition to any other rights or remedies available to us under the franchise agreement and applicable law, we will charge a fee of $100 each day any email address, domain name, or application using our marks is live, and we may limit your access to our reservation and distribution channels.

There are currently no effective material decisions of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administration of any state or any court, or any pending infringement, opposition, or cancellation proceeding, or any pending material litigation, involving the trademarks identified above. There are no agreements that materially limit our right to use or license the use of the trademarks identified above.

You must notify us promptly in writing if you learn about an infringement of, or challenge to, your use of our trademarks. We have the right to have sole control over the defense and settlement of any claim that involves the trademarks. You must cooperate fully in connection with such defense or settlement of any claim or litigation against you that involves the trademarks. We will indemnify you against all third-party claims that your use of our principal trademarks in accordance with the terms of the franchise agreement infringes upon the rights of any other party if you give us immediate written notice of any claim, do not interfere with our right to have sole control over the defense and settlement of the claim, and cooperate fully with us in defending or settling the claim. We will not be obligated to indemnify or defend you (i) if you are in default under the franchise agreement when a claim is made, or become in default under the franchise agreement before the resolution of a claim; (ii) if the claim relates to principal trademark that is not registered on the Principal Register of the United States Patent and Trademark Office; or (iii) if the claim is based on a use of our trademark not authorized by the franchise agreement.

The franchise agreement requires us to protect the validity of our trademarks, except that we are not required to maintain any registration of any trademark that we determine cannot or should not be maintained. We may settle any dispute in any manner that we think appropriate, which may or may not include filing suit against imitators or infringers.

We do not know of any superior prior rights or any infringing use that could materially affect your use of our trademarks.

We anticipate that you will have one or more trademarks used in connection with the operation of your hotel, including the name of the hotel, the name of any restaurants operating at the hotel, and the name of any other operating departments of the hotel (including spas, golf courses, and other auxiliary departments). The hotel name must be registered on the principal

register of the United States Patent and Trademark Office at the time you sign a franchise agreement. Alternately, you must provide evidence satisfactory to us that the mark is registrable (including a trademark clearance report and opinion) and that you have filed an application to register the mark on the Principal Register of the United States Patent and Trademark Office. You must consent to our use of each of your trademarks used in connection with your hotel and you must hold us harmless from all claims relating to or arising out of our use of each such trademark. In addition, you will indemnify and defend us against all third-party claims arising out of or relating to our use of each of your trademarks used in connection with the hotel. You agree that you do not obtain any rights in our trademarks (beyond the right to use our trademarks granted in the franchise agreement) by virtue of the use of your trademarks in conjunction with our trademarks.

ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We and our affiliates claim all rights and interests, including all copyright and patent rights, to the information contained in the standards, as well as in any training or other materials or systems made available to you. You do not own the rights to any materials or systems made available to you, but you may use the proprietary information in our standards for the sole purpose of operating your The Luxury Collection hotel under our franchise agreement. All information regarding the customers of the hotel (or residences, if applicable), regardless of source, is proprietary to us.

Marriott's designated property management system, reservation system, yield management system, sales and catering system, intranet website, the standards, the guest satisfaction survey system, and all other current or future information systems and marketing and management programs made available for your use are proprietary to us, our affiliates, or our licensors. We and/or they claim all rights and interests, including all copyright and patent rights, to these systems. There are no currently effective determinations of the U.S. Copyright Office (Library of Congress), or of any court, nor are there any pending infringement, opposition or cancellation proceedings or material litigation, involving any of the proprietary materials in which we claim a copyright which are relevant to their use by our franchisees. There are no agreements currently in effect which significantly limit our right to use or license the use of our copyrighted materials in any manner material to your hotel, and we do not know of any infringing uses of our copyrighted materials which could materially affect your use of the copyrighted materials.

We claim proprietary rights in, and you will have certain obligations to maintain the confidentiality of, the following information (collectively, "Confidential Information"): all standards and documents created for or approved for use in The Luxury Collection hotel system or in the operation of the hotel or residences, as applicable; the negotiated terms in your franchise agreement and related agreements; all software, including data and information processed or stored using the software, and accompanying documentation; any customer lists, or other customer information (including names, email addresses, postal addresses, phone numbers, credit card numbers, preferences, etc.); information in our loyalty programs; and any other confidential or proprietary information, knowledge, or know-how concerning The Luxury Collection hotel system or the operation of the hotel or residences, as applicable, that may be communicated or provided to you or of which you may be apprised, by virtue of your ownership or operation of the hotel or residences, as applicable. You must not, without our prior consent, copy, reproduce, or make available to anyone, or use for any purpose other than operation of your hotel or residences, as applicable, any of the Confidential Information. You may divulge Confidential Information only to your employees or agents who require access to it to operate the hotel or residences, as applicable, only after they are advised that such information is confidential and that they are obligated to maintain its confidentiality. The Confidential Information has commercial value. We and our affiliates have taken reasonable measures to maintain its confidentiality. Accordingly, the Confidential Information is proprietary and a trade secret of ours and our affiliates. Your obligations to maintain the confidentiality of Confidential Information will extend beyond the expiration or termination of the franchise agreement and you will be liable for any breaches of such obligations by your employees and agents.

Confidential Information may exist in any medium including documents, computer files, voicemail, email, and other digital media and oral information. "Personally Identifiable Information" is a special category of Confidential Information that includes any information that can be associated with or traced to an individual, such as the individual's name, address, telephone number, email address, credit card information, driver's license number, passport number, or other similar specific factual information.

You must implement reasonable security measures, including any and all security measures that we require, to protect all computer systems and Confidential Information from loss, misuse and unauthorized access, disclosure, alteration, and destruction. In addition, you must comply with all applicable data protection laws pertaining to Personally Identifiable Information and rules and regulations promulgated by the applicable credit card associations. In the event of an actual or suspected information security incident or breach that could involve Personally Identifiable Information of guests at your hotel, you must comply with all applicable data breach notification laws as well as our standards applicable to such incident or breach. You must notify us when you become aware of any such incident or breach and provide credit monitoring for impacted individuals in accordance with our standards. You will be required to reimburse us for all costs incurred by us in connection with a security breach involving Personally Identifiable Information of guests at your hotel.

You must notify us promptly in writing if you learn about unauthorized use of any proprietary systems or Confidential Information. You must cooperate fully in defending or settling any litigation against us or you that involves our proprietary systems or Confidential Information. We or our licensors are not obligated to indemnify you against claims that your use of the proprietary systems or Confidential Information under the terms of the franchise agreement infringes upon the patent or copyright rights of others unless such an indemnity is provided by the third-party licensor of such system. We or our licensors have the right to control any litigation and may settle any dispute in any manner that we think appropriate, which may or may not include filing suit against unauthorized users of our proprietary systems or Confidential Information.

We currently own the following patents pertaining to our business processes:

US Patent No. 8,321,286 "Methods and apparatuses for calculating an optimal revenue total yield for both sleeping and function space in a hospitality establishment for a set of demands that includes both group and transient demands." The application for a yield management methods and apparatuses was filed on February 29, 2004, and was granted on November 27, 2012.

US Patent No. 10,686,856 "System and methods for initiating a media streaming device, particularly for devices associated with a guest services environment." The application for a guestroom entertainment platform was filed on October 12, 2016, and was granted on June 16, 2020.

US Patent No. 10,735,201 "Method and Apparatus for Key Printing." The application relating to a methodology and apparatus for printing guestroom key cards was filed on July 15, 2016, and was granted on August 4, 2020.

US Patent No. 11,122,096 "Continuation Patent – System and Method for Hotel Multicast Services Manager." The application for a system and method allowing mobile devices to join a guest services network was filed May 29, 2020, and was granted on September 14, 2021.

We reserve the right to file additional patent applications and to obtain patents for our business processes in the future. Business processes related to the system are proprietary to us or our affiliates. Therefore, you may not file a patent application for any of these processes.

If we decide to add, modify, or discontinue the use of an item or process covered by a patent or copyright, you must do so, at your expense. We are not obligated to defend your use of these items or processes.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

We require franchisees to operate the hotel or to retain an approved management company consented to by us (Franchise Agreement – Section 8.1). A general manager who has successfully completed our training program must directly supervise the business on the premises. We require the general manager and other managers to devote full time to the management and operation of the hotel.

We may determine that you are not qualified to operate your hotel. In making such determination we will review, among other things, your managerial and operational experience, skills, capacity, capabilities, and philosophy to determine whether, based on our experience as a franchisor, owner, and operator of hotels, we believe you will be able to operate your hotel in accordance with the standards and the franchise agreement. If we determine that you are not qualified to operate your hotel, you will be required to hire a management company to operate your hotel. In certain circumstances, we may allow you to participate in a franchise management training program. We may include certain provisions in your franchise agreement that will require you to retain a third-party management company if you fail to meet certain quality assurance requirements.

Even if we determine that you are qualified to operate your hotel, you may desire nonetheless to hire a management company to operate your hotel. You must obtain our consent before you hire a proposed management company to operate your hotel. We have the right to approve any new or replacement management company and the right to review any management agreement between you and a management company. The management agreement must be subject to the terms and provisions of the franchise agreement.

You and the management company must operate the hotel in conformity with the franchise agreement and our standards. We have the right to require you to replace the management company or terminate the franchise agreement if the management company fails to operate the hotel in strict compliance with the franchise agreement.

We do not require the on-premises management company or general manager to have an equity interest in the franchised business.

After a review of the financial information submitted with your application and a review of the ownership structure of the proposed franchisee, the hotel, and the real property on which the hotel will sit, we will determine guaranty requirements. If the franchisee is an entity, we may require the principals of the entity to sign a guaranty of the franchisee's obligations substantially in the form included in Exhibit C. In certain limited instances, we will accept the guaranty of an entity with substantial net worth instead of some or all of the principals of the franchisee. The primary determining factors will include: (i) the net worth and liquidity of the proposed guarantor; (ii) the credit and operating history of the proposed guarantor; and (iii) the debt structure applicable to the hotel. If you propose an entity to serve as the guarantor, you must submit financial statements for that entity. If we send to you a written notice of default or if we or our affiliates enter into any form of forbearance agreement with you, we may require you to provide a guaranty from a party acceptable to us to cover all of your obligations under the franchise agreement and related agreements.

If you do not own the hotel, we generally require the owner of the hotel to enter into an Owner Agreement substantially in the form included in Exhibit C.

If your hotel will be structured so that it involves residential, condominium, or multi-family units, we will require that you maintain ownership and control of all components of the hotel necessary for hotel management operations and may require you to maintain ownership and control of other facilities or common areas of the project that are not required by law to be owned or controlled by the unit owners.

If the licensee under a residential marketing license agreement or a multi-family component license agreement is an entity and not an individual, we generally require the principals of the entity to sign a guaranty of the licensee's obligations. In some cases, we will accept the guaranty of an entity with substantial net worth instead of some or all of the principals of the licensee. The primary determining factors will include: (i) the net worth and liquidity of the proposed guarantor; (ii) the credit and operating history of the proposed guarantor; and (iii) the debt structure applicable to the project. If you propose an entity to serve as the guarantor, you must submit financial statements for that entity.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer all of the goods and services that we designate. Furthermore, you may offer only those goods and services that we require or specifically allow. Except as provided below, you are responsible for determining the price at which you offer your goods and services.

Our operating standards, including the types of goods and services required to be offered, are subject to change. These changes may apply to all system hotels or certain categories of system hotels if we determine that the market area or the special physical characteristics of the hotels make exceptions appropriate.

You must use reasonable efforts to encourage and promote the use of The Luxury Collection hotels and refer reservation requests that you cannot fulfill to other The Luxury Collection hotels, or Company Brand Hotels.

You will not use any part of the hotel for any business other than operating a system hotel. You will not use any part of the hotel or the system to divert business to any other business at or outside of the hotel. You must not market, advertise, or promote at the hotel any business that we have not approved. Specifically, your hotel must not be used to market or promote:

(i) Any lodging business, including advertising hotels, residences, vacation or timeshare facilities or similar products used on a periodic basis, conference centers, or other lodging products not operated under a trade name or trademark owned by us or any of our affiliates (including any other hotel operated by you or in which you or one of your principals holds an interest); or

(ii) Any business or concession at the hotel, except as expressly permitted by us.

You must offer your inventory of rooms through the mandatory reservation and distribution channels that we designate, such as: Marriott Worldwide Reservations; Marriott.com and such other online/digital reservation and distribution channels as we may designate (which may be managed by us, our affiliates, or third parties); the Global Distribution Systems (GDS)/DHISCO; travel agents, and travel management companies. You may also offer your inventory of rooms through approved, non-mandatory channels, such as third-party providers and online distribution channels. If your hotel has residential, condominium, or multi-family units that participate in a rental program, such units may also be offered through our designated reservation and distribution channels. Our arrangements with these reservation and distribution channels are renegotiated periodically and may be modified or discontinued at any time.

You are responsible for setting your own prices and rates for the goods and services offered by your hotel, except that we: (i) prohibit price-gouging at the hotel; (ii) require you to participate in our associate rate discount program; (iii) may require you to provide discounted rates to members of our loyalty programs; (iv) prohibit you from charging for certain goods or services that we require be provided on a complimentary basis; (v) prohibit complimentary or reduced price guestrooms or food and beverage to benefit any other business at or outside of the hotel; and (vi) prohibit certain types of surcharges, destination fees, resort fees, and other similar fees, unless we determine that the fees are appropriate based on, among other factors, the location of the hotel, the services offered by the hotel, and consumer sentiment regarding the assessment of such fees. You may also be prohibited from charging certain fees by applicable law or by consent orders entered into by us on behalf of system hotels. In addition, as discussed below, you must distribute your inventory in a manner consistent with our designated best rate guarantee policy. We may, from time to time, recommend or suggest prices or rates for the products and services you offer, including

in circumstances involving your participation in various sales or revenue management programs, account management programs, and/or other consulting services or promotions offered by us and our affiliates. Our recommendations or suggestions concerning prices or rates are not mandatory, and you are ultimately responsible for determining the prices or rates at which you offer your goods and services. If you participate in such programs and promotions you must honor any price to which you commit. If we provide inventory management or sales services to you, you will consign hotel inventory to us, we will act as your sales agent, and you will retain all risk of loss for unsold or cheaply sold inventory. Nothing contained in the franchise agreement, or any other agreements required for participation in any programs or services should be considered a representation or warranty by us that the use of such suggested or recommended prices or rates, or inventory management or sales services will produce, increase, or optimize your profits.

You must comply with our policies regarding publishing rates and transmitting rates to us and other reservation channels. You must comply with our designated best rate guarantee policy. This policy provides that a hotel's published room rates across all reservation channels should not be lower than its published rates on Marriott.com, the Marriott Bonvoy Application, Marriott Worldwide Reservations, Property Direct, and any other reservation channels owned or operated by Marriott or its affiliates (these channels and any other channels that Marriott designates are collectively referred to as "Marriott Direct Channels"). Our designated best rate guarantee policy also provides that, if a customer books a Company Brand Hotel room through a Marriott Direct Channel and then finds a lower publicly available rate within 24 hours for the same hotel, room type, and dates on any non-Marriott Direct Channel, or with a travel agency or travel management company, the hotel will match the lower rate and will either provide an additional 25% off the room rate or issue loyalty program points to the customer, consistent with our then-current policies. We monitor hotel compliance with this policy and will assess a non-compliance charge in each instance where the hotel's published room rate violates this policy. You must also reimburse us for all costs, including audit costs and excess property reimbursements, we incur in connection with your non-compliance. This policy is described in the standards and is subject to specific terms and conditions, which we may change in our sole discretion.

We currently have distribution agreements and relationships with distribution channels including Expedia, Priceline.com, Booking.com, Travel Ease, travel management companies, and tour operators, among other channels. Access to your hotel's inventory by these distribution channels may be facilitated through a direct or third-party managed interface with our designated reservation system. In certain circumstances, some of our contracts with distribution channels provide for access to hotel inventory through other means, such as by extranet. Certain of these arrangements are mandatory, and franchisees must participate on the terms set forth in our distribution agreements. If participation in a distribution arrangement is optional, you may elect to participate on the terms set forth in our distribution agreement or may negotiate your own agreement with the distribution channel so long as the agreement is consistent with our designated best rate guarantee policy and other applicable standards (which include criteria for approval of distribution channels). If you elect to negotiate your own agreement with a distribution channel, we will be under no obligation to support your business relationship with that distribution channel, including by making available the use of our programs and systems such as our designated reservation system, our designated property management system, and CTAC in connection with the use of that channel. We prohibit franchisees from using certain third-party distribution channels and limit the inventory of guestroom nights franchisees may make available to customers through each distribution channel.

We also have arrangements with payment processing vendors such as American Express and Alipay. You must participate on the terms set forth in our agreements with the payment processing vendors and comply with our standards relating to payment processing (which may include standards for processing chargebacks and resolving disputes). You must accept the forms of payment that we designate and refrain from accepting forms of payment for which we have not established payment processing standards.

You may not use any Confidential Information for any purpose other than to operate your The Luxury Collection hotel or as otherwise permitted by us. In addition, you may not sell, rent, trade, or otherwise provide any Confidential Information to any third party for the third party's use (see Item 14).

If your hotel will be structured so that it involves residential or condominium units, we will require that any sale of units be subject to a number of requirements. These requirements may include, among other things, compliance with applicable securities and real estate sales laws, your indemnification of us if you violate those laws, mandatory furnishing of the units with furniture, fixtures, and equipment that meet our standards for The Luxury Collection hotels, mandatory agreements for general maintenance of the units subject to our standards, restrictions on the use of our trademarks and Confidential Information, limitations on the number of units that may be sold to one person, participation of a certain number of units in the hotel's guestroom inventory on a regular basis, limitations on minimum rental periods, and mandatory reserves for capital expenditures and renovations or replacements of required furniture, fixtures, and equipment at the hotel and for units participating in the voluntary rental program.

ITEM 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY[1]
a. Length of the franchise term	Section 2.1and Exhibit A – Item 4	For a new-build hotel, the term of the franchise agreement typically ends on the 20th anniversary after the date we authorize the hotel to open as a system hotel. If you are acquiring an existing hotel or renewing a franchise agreement, the term is typically less than 20 years, and will depend on the remaining term of any existing franchise agreement for the hotel, the location and condition of the hotel and scope of the PIP.
b. Renewal or extension of the term	Section 2.2	The franchise agreement is not renewable, and you should not have any expectation that you will be granted any right to operate the hotel under our brand after the expiration of the term.[2]
c. Requirements for franchisee to renew or extend	Not Applicable	
d. Termination by franchisee	Not Applicable[3,4] (subject to applicable state law)	
e. Termination by franchisor without cause	Not Applicable[4]	
f. Termination by franchisor with cause	Sections 17.5.A and 19	We can terminate if (i) you fail to cure any curable default or there exists any non-curable default or (ii) you or an affiliate of yours sell(s) or lease(s) the hotel to, or become(s), a Competitor, or you transfer your interests in the agreement or any interest in you or your affiliates to a Competitor.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY[1]
g. "Cause" defined-curable defaults	Section 19.2	You have 30 days to cure: failure to timely start and complete construction/conversion, renovation/repair, or open the hotel; failure to pay amounts due; default of any other agreement(s) entered into between us and you; if you or any owner, officer, director, or employee is convicted of a serious crime or is engaged in conduct that may adversely affect the hotel, the system, any Company Brand Hotel or us, and such person is not terminated from its relationship with you; failure to comply with the Standards; or any other breach of the franchise agreement or other agreements between us and you that is not listed in Section 19.1 (including, without limitation, failure to procure and maintain required insurance; failure to indemnify us; or failure to comply with condemnation/casualty provisions).
h. "Cause" defined-non-curable defaults	Sections 17.5.A, 19.1, and 21	Non-curable defaults: insolvency; bankruptcy; appointment of receiver, trustee or liquidator; execution levied against you, the hotel or material real or personal property; foreclosure; becoming, or being under ownership or control of, a Restricted Person; violation of applicable law; becoming or being affiliated with a Competitor; transfers that do not comply with Section 17; dissolution or liquidation; loss of right to operate or possess the hotel or default or termination under a lease; cessation of operation as a System hotel; underreporting three or more times in 24 months; threat to public health or safety; failure to achieve performance thresholds under our quality assurance program; or disclosure of confidential information.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY[1]
i. Franchisee's obligations on termination/non-renewal	Sections 19.4 and 20	Obligations include complete de-identification of hotel; delivery to us of any intellectual property and other materials relating to the operation of the hotel under the System, including all customer information, operating instructions, software and accompanying documentation and other materials provided by us; advising customers of the removal of the hotel from the System in accordance with the standards; compliance with the provisions of the franchise agreement that survive termination; and payment of all amounts due (including liquidated damages and actual damages if termination was due to your default as well as any fees associated with removing the hotel from the System).
j. Assignment of contract by franchisor	Section 17.7	No restriction on our right to assign if transferee is an affiliate of ours or has acquired substantially all of our rights to the System and agrees to assume our obligations to you under the franchise agreement and is capable of performing those obligations.
k. "Transfer" by franchisee-defined	Section 17.1 and Exhibit B	Includes transfer of the franchise agreement or the hotel or a transfer of any ownership interest in you or in any entity that controls you.[5]
l. Franchisor approval of transfer by franchisee	Sections 17.1 and 17.4	Transfers of the franchise agreement, the hotel, and controlling ownership interests in you or your control affiliate require our consent. Transfers of passive investor interests in you and transfers to affiliates generally do not require our consent if certain requirements are met.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY[1]
m. Conditions for franchisor approval of transfer	Section 17.4	You must provide us with information about the transferee and pay us the property improvement plan fee. The transferee must submit an application, pay us the application fee, satisfy our then-current owner qualifications (including its interestholders not having been convicted of a serious crime or engaged in certain adverse conduct or been a party to litigation with us), retain a qualified management company, sign a new franchise agreement that will require payment of Then-current fees and upgrade of the hotel to our current standards. The duration of such new franchise agreement will expire on or after the last day of the existing franchise agreement. You must pay all amounts owed to us and sign a release. If we engage outside counsel in connection with the transaction, we will require that our outside counsel fees be paid. In addition, the transferee must be in good financial status, there must not be an uncured breach of the franchise agreement, and the hotel must be in good standing under our quality assurance program. If the transferee is a Competitor, we have certain additional rights (see n. below).[6]
n. Franchisor's right of first refusal to acquire franchisee's business	Not Applicable	
o. Franchisor's option to purchase franchisee's business	Not Applicable	
p. Death or disability of franchisee	Section 17.4.C	Subject to general transfer provisions, the interest of any deceased or mentally incompetent person may be transferred if: (i) the transfer is effected within 12 months, and (ii) your obligations are satisfied pending transfer.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY[1]
q. Non-competition covenants during the term of the franchise	Sections 8.4.B and 17.5	You may not use any part of the hotel to divert business to or promote a different business. You, or your affiliates, may not sell or lease the hotel to, or become, a Competitor or transfer any interest in you or your affiliates to a Competitor, without our prior approval. (These terms are subject to applicable state law.)
r. Non-competition covenants after the franchise is terminated or expires	Section 21.2	If the hotel is damaged due to a casualty resulting in a termination of the franchise agreement, and you or your affiliates operate a replacement hotel or other lodging product that is not a Company Brand Hotel at the site during the original term of the franchise, you must pay us liquidated damages. (These terms are subject to applicable state law.)
s. Modification of the agreement	Sections 3.4, 3.7.C, 10.2, and 27.7	No modifications generally, but the franchise agreement permits modifications to the Program Services Contribution, the Marketing Fund Contribution, and the System, including the Standards, as well as all of the fees listed herein, with the exception of franchise fees.
t. Integration/merger clause	Section 27.6	Only the terms and conditions of the franchise agreement and related agreements are binding (subject to state law). Any statements, representations or alleged promises outside of the disclosure document or the franchise agreement and related agreements may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 24.1.B[7]	Except for claims relating to indemnification, equitable relief, and enforcement of arbitral awards, all disputes will be resolved by arbitration.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY[1]
v. Choice of forum	Sections 24.1.B, 24.1.C, and 24.5	In any dispute, you waive the right to a jury trial. Arbitration proceedings will be conducted in Baltimore, Maryland. You consent to the non-exclusive jurisdiction of the courts of Maryland for disputes not subject to arbitration.[7]
w. Choice of law	Section 24.1.A	Maryland law applies.[7]

NOTES:

1 Capitalized terms used herein have the meanings as defined in the franchise agreement, which is attached as Exhibit C of this FDD.

2 After the expiration of the term, we may in our sole discretion agree to enter into a new franchise agreement with you on our then-current form. That agreement may contain materially different terms and conditions than the franchise agreement attached as Exhibit C (including the franchise fees and the duration).

3 You do not have a general right to terminate the franchise agreement. However, Section 21.2 of the franchise agreement permits you to terminate in the limited event of a casualty if the cost to restore the hotel to the same condition as existed previously is 60% or more of the hotel's replacement cost at the time of the casualty and you comply with the requirements of Section 21.2.

4 Section 21.1 of the franchise agreement permits either you or us to terminate in the limited event of a taking that would materially affect the continued operation of the hotel as a system hotel on a permanent basis.

5 We do not permit you to pledge or assign the franchise agreement as collateral for any financing. Instead, we may provide a comfort letter to a lender in substantially the same form attached as Exhibit N.

Lenders may request a franchise agreement in connection with a foreclosure, deed in lieu of foreclosure, workout, or appointment of a receiver (a "lender take-back"). Such a request may be in connection with a comfort letter entered into with the lender similar to the form attached as Exhibit N. The specific terms of any franchise agreement executed in connection with a lender take-back will depend upon (i) the circumstances at the time of the lender take-back (for example, outstanding indebtedness under existing agreements with us or the status of the hotel under our quality assurance program), and (ii) the terms of any applicable comfort letter. The terms of such franchise agreement may vary materially from the terms contained in the form franchise agreement attached as Exhibit C. Some examples of such variations include the following:

- The term of the franchise agreement may be for months or for the term referenced in an applicable comfort letter
- The agreement may be conditioned upon issuance of a court order in connection with the appointment of a receiver
- Reserve account requirements may be changed or eliminated
- Cure of deficiencies and breaches under the existing franchise agreement or our standards with respect to the hotel may be required
- Transfers may be prohibited or limited

- In most cases, no restricted territory will be granted

[6] Differences between the franchise agreement for a new-to-system hotel and the franchise agreement for a transferee of an existing system hotel are described in Exhibit C (Change of Ownership) to the franchise agreement.

[7] See Exhibit E, State Amendments to Franchise Agreement.

ITEM 18

PUBLIC FIGURES

We do not use any public figures to promote our franchise.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

1. Average Daily Room Rate, Occupancy Rate, and RevPAR

The chart below presents the average daily room rate ("ADR"), average occupancy rate ("OCC"), average revenue per available room ("RevPAR"), and average revenue per available room index ("RevPAR Index") reported by the STR Included Hotels (defined below) during the calendar year ended December 31, 2025.

2025 STR Included Hotel Performance				
Calendar Period	**ADR**	**OCC**	**RevPAR**	**RevPAR Index**
2025	$306.62	70.9%	$217.53	122.4

ADR is the sum of the gross room sales reported by the STR Included Hotels during the period divided by the total number of guestrooms reported as sold by the STR Included Hotels during the period. OCC is the total number of guestrooms reported as sold by the STR Included Hotels during the period divided by the total number of guestrooms reported as available at the STR Included Hotels during the period. RevPAR is the gross room sales reported by the STR Included Hotels during the period divided by total number of available rooms reported by the STR Included Hotels as available during the period. RevPAR Index measures the fair share of the amount of available revenue a hotel receives relative to its competitive set (as defined by each hotel) within a given market and is calculated by dividing the RevPAR of the subject hotel by the RevPAR of the competitive set (which may include other Company Brand Hotels). The per-hotel metrics for average OCC, ADR, RevPAR, and RevPAR Index shown below were calculated by taking the sum of the results reported by each STR Included Hotel during the applicable period and dividing that sum by the total number of times the STR Included Hotel reported results during the applicable period. If a STR Included Hotel did not report data about occupancy, ADR, RevPAR, or RevPAR Index for a day during the calendar year, that day is not included in the calculation of the results noted in the chart or the averages for that particular hotel noted below. The "median" is the middle data point in the range of performance data.

An "STR Included Hotel" hotel means a franchised The Luxury Collection hotel that: (a) reported Smith Travel Research, Inc. ("STR") data at any time during the period; (b) was, as of the calendar year, open and operating as a franchised The Luxury Collection hotel for at least two years; and (c) satisfied the Conditions. "Conditions" means the hotel did not undergo at any time during the preceding two years any one or more of the following: (1) a rooms renovation that resulted in five percent or more of the total number of available rooms at such hotel being taken out of service during the year in which the renovation occurred; (2) a public space renovation that resulted in revenue displacement during the year in which such renovation occurred of five percent or more of the annual available room nights at the average daily rate of the most

recent year prior to the renovation during which the hotel satisfied each of the Conditions; or (3) an expansion that resulted in an increase in revenues of five percent or more of the annual available room nights (before the expansion) at the average daily rate of the most recent year prior to the expansion during which the hotel satisfied each of the Conditions.

As of December 31, 2025, there were 19 The Luxury Collection hotels open and operating in the United States and Canada; of these, 14 were franchised and 10 were STR Included Hotels. Of the 10 STR Included Hotels in 2025, 6 hotels or 60.0% reported an average daily room rate that met or exceeded $306.62; 6 hotels or 60.0% reported an average occupancy rate that met or exceeded 70.9%; $217.53 hotels or 60.0% reported an average RevPAR that met or exceeded $217.53; and 6 hotels or 60.0% reported an average RevPAR Index that met or exceeded 122.4. For the 10 STR Included Hotels in 2025, the average daily room rate ranged from $216.02 to $402.68, with a median of $315.61; the average occupancy rate ranged from 59.1% to 84.2%, with a median of 72.4%; the average RevPAR ranged from 130.42 to 331.89, with a median of 235.43; and the average RevPAR Index ranged from 89.5 to 186.7, with a median of 125.6.

There were 11 franchised The Luxury Collection hotels that met the Conditions and were open for 12 months as of December 31, 2025 ("1-Year Comp Hotels"). In 2025, the average ADR of the 1-Year Comp Hotels was $353.63, the average OCC was 72.2%, the average RevPAR was $255.21, and the average RevPAR Index was 103.3. During 2025, the ADR for the 1-Year Comp Hotels ranged from $215.26 to $563.60, with a median ADR of $315.61. 6 (or 54.5%) of the 1-Year Comp Hotels reported an ADR that met or exceeded the average. During 2025, the OCC for the 1-Year Comp Hotels ranged from 59.1% to 84.2%, with a median OCC of 72.4%. 6 (or 54.5%) of the 1-Year Comp Hotels reported an OCC that met or exceeded the average. During 2025, the RevPAR for the 1-Year Comp Hotels ranged from $130.42 to $440.73, with a median average RevPAR of $235.43. 6 (or 54.5%) of the 1-Year Comp Hotels reported an average RevPAR that met or exceeded the average. During 2025, the RevPAR Index for the 1-Year Comp Hotels ranged from 74.9 to 186.7, with a median average RevPAR Index of 125.6. 6 (or 54.5%) of the 1-Year Comp Hotels reported an average RevPAR Index that exceeded the average.

5. Reservations

The following Marriott reservations channels (collectively, "Reservation Channels") contribute to room night revenue and gross room night bookings at system hotels: (i) Marriott.com, including all international iterations of this site and Marriott's mobile apps ("Marriott.com"); (ii) Marriott's worldwide toll-free reservation phone numbers ("Voice Reservations"); (iii) Marriott's customer engagement centers that process telephone calls on behalf of hotels ("CECs"); (iv) online travel agencies with which we have distribution agreements ("OTAs"), such as Booking.com, Expedia and Hotels.com; and (v) global distribution systems that permit traditional travel agencies, as well as many third-party online travel websites, to reserve guestrooms ("GDS"). Reservation Channels do not include group business and transient room nights booked directly at the property or through our area, regional, or national sales offices.

The chart below shows the Reservation Channels' contribution (as a percentage) to the room night revenue (defined below) of the 10 "Included Hotels" during the 12-month period ended December 31, 2025. The "Included Hotels" are franchised The Luxury Collection hotels in the United States and Canada that were open and operating as The Luxury Collection hotels for at least two years as of December 31, 2025, and satisfied each of the Conditions.

Marriott Reservation Channels' Contributions to 2025 Room Night Revenue	
Percentage Contribution to Room Night Revenue by all Reservation Channels	69.4%

During 2025, of the 10 Included Hotels, 5 The Luxury Collection hotels or 50.0% received 69.4% or more of their annual room night revenue from the Reservations Channels, and the median contribution to room night revenue was 78.2%. "Room night revenue" means the total per-room fees and charges invoiced to the guest at the time a reservation is made (including resort fees, destination fees, and mandatory surcharges for facilities invoiced at the time of booking), regardless of whether the booking is subsequently cancelled. "Room night revenue" excludes sales, tax, value added tax, or similar taxes on such revenue. In calculating this percentage, we divided the sum of room night revenue invoiced by all of the Included Hotels from bookings directly through the Reservation Channels by the total room night revenue invoiced by all of the Included Hotels from all bookings during 2025. The "median" is the middle data point in the range of performance data.

The chart below shows the Marriott Reservations Channels' contributions (as a percentage) to total gross room nights booked at the Included Hotels during the 12-month period ended December 31, 2025.

Marriott Reservation Channels' Contributions to 2025 Room Night Bookings	
Reservation Channel	**Percentage of Total Bookings by Included Hotels**
Marriott.com	39.5%
Voice Reservations	1.0%
CECs	3.6%
OTAs	5.3%
GDS	18.3%
All Reservation Channels	**67.7%**

During 2025, of the 10 Included Hotels, 5 hotels or The Luxury Collection received 39.5% or more of their total gross room night bookings from Marriott.com; 4 hotels or 40.0% of hotels received 1.0% or more of their total gross room night bookings from Voice Reservations; 4 hotels or 40.0% of hotels received 3.6% or more of their total gross room night bookings from CECs; 5 hotels or 50.0% of hotels received 5.3% or more of their total gross room night bookings OTAs; 4 hotels or 40.0% of hotels received 18.3% or more of their total gross room night bookings from GDS; and 6 hotels or of hotels received 67.7% or more of their total gross room night bookings from all Reservation Channels. For the 10 Included Hotels, the median bookings from Marriott.com was 40.0%; the median bookings from Voice Reservations was 9.0%; the median bookings from CECs was 3.2%; the median bookings from OTAs was 5.4%; the median bookings from GDS was 16.6%; and the median bookings from all Reservation Channels was 69.6%. "Gross Room Night Bookings" means the total number of room nights booked at a hotel, including bookings that are subsequently cancelled. In calculating these percentages, we divided the total number of gross room nights booked through each type of Reservation Channel at all of the 88 Included Hotels by the total number of gross room nights booked at all of the 88 Included Hotels. The "median" is the middle data point in the range of performance data.

6. Loyalty Program

As of December 31, 2025, the Marriott Bonvoy loyalty program offered enhanced benefits to approximately 271,000,000 member accounts worldwide. Over 9,700 hotels and resorts in 143 countries and territories participate in Marriott Bonvoy.

A. Loyalty Contribution to Revenue

During 2025, Marriott Bonvoy member paid room nights generated an average of approximately 75.5% of the total room night revenue at Included Hotels, with an average daily spend of $353.00 per member paid room night, not including taxes and tips. During 2025, Marriott Bonvoy generated a total of 470,000 member paid room nights for Included Hotels and approximately $161,663,000 in eligible spend, not including taxes and tips. A "member paid room night" means a room night during which a Marriott Bonvoy member occupied a room at an Included Hotel and was awarded loyalty points for the stay. It does not include (1) room nights redeemed by Marriott Bonvoy members, (2) group room nights booked by Marriott Bonvoy members for which loyalty points are not awarded, (3) room nights booked by Marriott Bonvoy members using OTAs, and (4) wholesale and crew room nights booked by Marriott Bonvoy Members.

During 2025, of the 10 Included Hotels, 4 hotels or 40% of hotels met or exceeded the average daily spend per Marriott Bonvoy member paid room night, and the median average daily spend per member paid room night was $339.00.

B. Loyalty Contribution to Occupancy

The chart below shows the average number of room night stays by Marriott Bonvoy members at Included Hotels during 2025 and the average Marriott Bonvoy member contribution to occupancy at Included Hotels during 2025. These figures *include* member paid nights and member redeemed nights but *exclude* (1) group room nights booked by Marriott Bonvoy members for which loyalty points are not awarded, (2) room nights booked by Marriott Bonvoy members using OTAs, and (3) wholesale and crew room nights booked by Marriott Bonvoy Members.

Average Marriott Bonvoy Contribution to 2025 Room Nights and Occupancy	
Average Number of Member Room Nights per Hotel	51,000
Average Annual Loyalty Program Contribution to Occupancy	71.5%

Of the 10 Included Hotels, 4 hotels or 40.0% met or exceeded the average number of member room nights per hotel of 51,000; and 6 hotels or 60.0% met or exceeded the average loyalty program contribution to occupancy of 71.5%. The median number of member room nights was 46,000; and the median annual loyalty program contribution to occupancy was 72.4%.

The "average number of member room nights" per hotel is calculated by dividing the sum of member room nights booked at the Included Hotels during 2025 by the total number of Included Hotels.

The "average percentage of loyalty program contribution to occupancy" is calculated by dividing the number of member room nights for the Included Hotels by the total occupied room nights for the Included Hotels during 2025. The "median" is the middle data point in the range of performance data. These figures exclude room night stays by Marriott Bonvoy members that redeemed loyalty points to cover the cost of their stay.

7. Bases and Assumptions

STR, an independent research firm servicing the travel industry, compiles occupancy rate, average daily room rate, RevPAR, and other relevant information concerning the lodging industry and is used by substantially all of the major lodging companies for tracking this data. The information in this Item 19 used in calculating average occupancy rate, average daily room rate, and average RevPAR was compiled and reported by STR, and such information has not been audited or otherwise confirmed by us. The results of the STR Included Hotels that operate in Canada are reported to us in Canadian Dollars ("CAD") by STR on a monthly basis. In preparing the performance data for the STR Included Hotels, we converted these results from CAD to United States Dollars ("USD" or "$") using the currency exchange rate in effect as of the second to the last day of the month in which the results were achieved, as published by the United States Department of Treasury. The data in this Item 19 regarding reservations and the loyalty programs was not provided by STR, but instead was drawn from Marriott's internal databases. Because of STR's minimum competitive set reporting requirements, some hotels that are Included Hotels and are reflected in Marriott's internal databases may not be included in the STR data and, as a result, would not be STR Included Hotels for purposes of this Item 19.

These statements relate to historical performance of franchised AC Hotels by Marriott hotels in the United States and Canada that satisfy certain criteria as detailed above. The figures above reflect the performance of hotels with at least two years of operating results. The average occupancy rate, average daily room rate, average RevPAR, reservations from Reservation Channels, or member paid room nights, varies from hotel to hotel and will depend upon many variables and factors, including size, location, seasonality, competition, general economic conditions, the length of time your hotel has been open or affiliated with us, the condition and attractiveness of the hotel, the perception of your hotel by customers utilizing our distribution channels, the reputation for quality of service at the hotel, how effectively you participate in our programs and market your affiliation with us, and the efficiency with which you operate your hotel.

The reservations and loyalty program information disclosed in this Item 19 relates to the performance of Included Hotels using the Reservation Channels and loyalty programs in effect in during the 2025 calendar year. These programs are subject to change.

Some outlets have achieved these results. Your individual results may differ. There is no assurance that you will earn as much or achieve any specific level of sales, revenue or performance.

We will provide you with written substantiation of the data used in preparing this Item 19 upon your reasonable request. The information described above that was provided to us by third parties has not been audited or otherwise verified by us. We are under no obligation to disclose specific information for a particular hotel in the system.

We do not make any financial performance representations for residences.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing 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 the franchisor's management by contacting Noah J. Silverman, Global Development Officer, 7750 Wisconsin Avenue, Bethesda, Maryland 20814, (301) 380-5253, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

SYSTEM-WIDE OUTLET SUMMARY FOR YEARS 2023 TO 2025

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2023	12	11	(1)
	2024	11	12	1
	2025	12	14	2
Company-Owned, Managed and Leased	2023	5	5	0
	2024	5	5	0
	2025	5	5	0
Total Outlets	**2023**	**17**	**16**	**(1)**
	2024	**16**	**17**	**1**
	2025	**17**	**19**	**2**

Table No. 2

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR YEARS 2023 TO 2025

Column 1 State	Column 2 Year	Column 3 Number of Transfers
All States	2023	0
	2024	0
	2025	0
Canada	2023	0
	2024	0
	2025	0
TOTALS	**2023**	**0**
	2024	**0**
	2025	**0**

* All numbers are as of fiscal year-end for each year.

** If multiple events occurred affecting an outlet, this table shows the event that occurred last in time.

*** States not listed have been intentionally omitted because there were no transfers in the last three fiscal years.

Table No. 3

STATUS OF FRANCHISED OUTLETS FOR YEARS 2023 TO 2025

Column 1 State	Column 2 Year	Column 3 Outlets at Start of the Year	Column 4 Outlets Opened[1]	Column 5 Termi-nations[2]	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor[3]	Column 8 Ceased Operations - Other Reasons	Column 9 Outlets at End of the Year
Colorado	2023	2						2
	2024	2						2
	2025	2						2
Georgia	2023	2						2
	2024	2						2
	2025	2						2
Illinois	2023	1						1
	2024	1						1
	2025	1						1
Massachusetts	2023	1						1
	2024	1						1
	2025	1						1
Minnesota	2023	1						1
	2024	1						1
	2025	1						1
New York	2023	1	0	1				0
	2024	0	1	0				1
	2025	1	0	0				1
North Carolina	2023	1						1
	2024	1						1
	2025	1						1
Oregon	2023	1						1
	2024	1						1
	2025	1						1
Tennessee	2023	1						1
	2024	1						1
	2025	1						1
Texas	2023	1						1
	2024	1						1
	2025	1						1
Canada	2023	0	0					0
	2024	0	0					0
	2025	0	2					2
TOTALS	**2023**	**12**	**0**	**1**				**11**
	2024	**11**	**1**	**0**				**12**
	2025	**12**	**2**	**0**				**14**

NOTES:

[1] This category includes (i) new outlets, (ii) outlets that converted from managed to franchised, or (iii) outlets that converted to The Luxury Collection brand from another Company Brand.

[2] This category includes outlets that (i) terminated before the expiration of the term, or (ii) converted to another Company Brand.

[3] This category consists primarily of outlets that converted from franchised to managed.

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* If multiple events occurred affecting an outlet, this table shows the event that occurred last in time.

** States with no outlets at any time during the last three fiscal years have been intentionally omitted.

*** Boxes that have no numbers indicate no activity for the last three fiscal years.

**** As of December 31, 2023, one franchised hotel in The Luxury Collection also included a branded residential component.

Table No. 4

STATUS OF COMPANY-OWNED, MANAGED AND LEASED OUTLETS FOR YEARS 2023 TO 2025

Column 1 State	Column 2 Year	Column 3 Outlets at Start of the Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired From Franchisee[1]	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisee[2]	Column 8 Outlets at End of the Year
Arizona	2023	1					1
	2024	1					1
	2025	1					1
California	2023	3					3
	2024	3					3
	2025	3					3
Hawaii	2023	1					1
	2024	1					1
	2025	1					1
Canada	2023	0					0
	2024	0					0
	2025	0					0
TOTALS	**2023**	**5**					**5**
	2024	**5**					**5**
	2025	**5**					**5**

NOTES:

[1] This category includes outlets that converted from franchised to managed.

[2] This category includes outlets that converted from managed to franchised.

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* If multiple events occurred affecting an outlet, this table shows the event that occurred last in time.

** States with no outlets at any time during the last three fiscal years have been intentionally omitted.

*** Boxes that have no numbers indicate no activity for the last three fiscal years.

Table No. 5

PROJECTED OPENINGS AS OF DECEMBER 31, 2025

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned, Managed and Leased Outlets in the Next Fiscal Year
New York	1		
South Carolina	1		
Texas	1		
Canada	0		
TOTALS	**3**	**0[1]**	**0[1]**

NOTE:

[1] This is an approximation.

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* Boxes that have no numbers indicate no activity.

** States with no relevant data have been intentionally omitted.

Contact Information for Current Franchisees

Attached as Exhibit L is a list of all franchisees of franchised The Luxury Collection Hotels in operation as of December 31, 2025, and all franchisees of unopened franchised The Luxury Collection Hotels with signed franchise agreements as of December 31, 2025, and the address and telephone number of their outlets.

Contact Information for Former Franchisees

Attached as Exhibit M is a list of all The Luxury Collection franchisees that had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or that have not communicated with us within 10 weeks of the issuance date of this document. The list includes franchisees whose franchise was terminated in connection with a transfer of a controlling interest in the hotel as included on Table 2 of this Item 20, even if the hotel or the franchisee remained in the system. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave The Luxury Collection franchise system.**

Confidentiality Obligations

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with The Luxury Collection system. 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.

Franchisee Associations

The Marriott International National Association ("MINA") is a franchisee organization associated with The Luxury Collection system. MINA is endorsed by Marriott. The following are officers for MINA and the franchisor's contact for The Luxury Collection brand:

President:	Nathan S. Tyrrell Executive Vice President and Chief Investment Officer Host Hotels & Resorts, Inc. 4747 Bethesda Avenue, Suite 1300 Bethesda, MD 20814 Phone: (240) 744-1000 Email: Nate.Tyrrell@hosthotels.com

Vice President:	Leslie Hale President & Chief Executive Officer RLJ Lodging Trust 7373 Wisconsin Ave. Suite 1500 Bethesda, MD 20814 Phone: (301) 280-7714 Email: lhale@rljlodgingtrust.com
Secretary:	Carl B. Hurwitz Secretary of MINA Marriott International, Inc. Dept. 52/923.28 7750 Wisconsin Avenue Bethesda, Maryland 20814 Phone: (301) 380-2628 Email: carl.hurwitz@marriott.com
Treasurer:	Plato Ghinos President Shaner Hotel Group Inc. 1965 Waddle Road State College, PA 16803 Phone: (814) 234-4460 Email: pghinos@shanercorp.com
Franchisor Contact:	Michele Pajot Senior Vice President, Full Service Franchising Marriott International, Inc. 7750 Wisconsin Avenue Dept. 51/010.62 Bethesda, MD 20814 Phone: (301) 380-3413 Email: mpajot@marriott.com

ITEM 21

FINANCIAL STATEMENTS

Attached as Exhibit I are the audited balance sheet of MIF, L.L.C. as of December 31, 2024, and 2025, and the related statements of income, members' equity, and cash flows for each of the three fiscal years in the period ended December 31, 2025.

ITEM 22

CONTRACTS

The following agreements and other documents are part of this disclosure document.

EXHIBIT A Term Sheet

EXHIBIT B Application

EXHIBIT C Franchise Agreement and Related Agreements

EXHIBIT D State Amendments to Disclosure Document

EXHIBIT E State Amendments to Franchise Agreement

EXHIBIT F Agents for Service of Process

EXHIBIT G State Regulatory Authorities

EXHIBIT H Lodging Laws and Regulations

EXHIBIT I Audited Financial Statements of MIF, L.L.C. for the Three Fiscal Years in the Period Ended December 31, 2025

EXHIBIT J Manuals, Standards, and Resources

EXHIBIT K Service Agreements

- Electronic Funds Transfer Authorization Form
- Revenue Management Advisory Services Agreements
- Shared Services Agreement - Area Sales and Multi-Hotel Sales
- Customer Engagement Center Property Support Services Agreement
- Franchise Operations Support Resources Services Agreement
- Above Property Rooms Control Consulting Agreement

EXHIBIT L Open Outlets/Unopened Outlets

EXHIBIT M Former Franchisees

EXHIBIT N Comfort Letter

EXHIBIT O Pre-Opening Agreement

EXHIBIT P Sample Financing Agreements

ITEM 23

RECEIPTS

When you receive this disclosure document, please sign and return the Receipt page attached at the back of this disclosure document in accordance with the instructions on the Receipt page. The application cannot be presented to the appropriate committee for consideration until we receive the properly signed receipt. Please contact the Lodging Development Department, (301) 380-3000, if you need more information.

IMPORTANT INSTRUCTIONS:

CERTAIN STATES REQUIRE SPECIFIC INFORMATION TO BE INCLUDED IN THE DISCLOSURE DOCUMENT. PLEASE REVIEW THE AMENDMENTS TO THIS DISCLOSURE DOCUMENT AND TO THE FRANCHISE AGREEMENT CONTAINED IN EXHIBITS D AND E.

EXHIBIT A

TERM SHEET

TERM SHEET

Date: _____, 20___

This franchise term sheet (the "Term Sheet") outlines the principal business terms for a proposed franchise agreement between _____ (together with its Affiliates, "Franchisee") and MIF, L.L.C. ("Franchisor") for a hotel and its related facilities **[currently known as _____]** (the "Hotel") at _____ (the "Site") under The Luxury Collection brand (the "Brand").

Number of Guestrooms:	Approximately [____].
Term:	[____] years after the hotel opens as a Brand hotel.
Application Fee:	$100,000 plus $400 per guestroom in excess of 250 guestrooms, which is due upon submission of an application for a franchise agreement.
Franchise Fees:	5% of Gross Room Sales per month.
Program Services Contribution:	Franchisee will pay a program services contribution to fund certain mandatory programs and services, as set forth in the franchise disclosure document ("FDD").
Reserve:	5% of Gross Revenues per month to cover the costs of periodic renovations of the FF&E in the Hotel.
Other Fees and Expenses:	All other costs, expenses, charges and fees set forth in the FDD and standard form franchise agreement and related agreements included in the FDD (the "Agreements").
Franchise Agreement:	The form of the franchise agreement and related agreements will be the standard forms included in the FDD.
Guaranty:	Franchisee's principals or other persons acceptable to Franchisor will provide a guaranty of Franchisee's obligations under the Agreements.
Restricted Territory:	Franchisor will not authorize the opening of another Brand hotel for [__] years after the opening date of the Hotel, not to extend beyond [_____], **[**within a [__]-mile radius measured from the front door of the Hotel, subject to the standard exceptions in the Agreements (the "Restricted Territory").**]** / [**OR** within an area having the following boundaries, subject to the standard exceptions in the Agreements (the "Restricted Territory"): [**insert specific boundaries description]**.]
[Branding Requirements:	At its own expense, Franchisee will have a recognized hotel brand and a supporting customer experience program in place as a condition to the opening.

Franchisee will retain an approved third-party branding consultant and an approved professional third-party design firm to define the design and independent hotel brand for the Hotel, all of which must be acceptable to Franchisor.]**[Add if Hotel is not fully activated from a branding perspective]**

[Conversion Requirements: Franchisee, at its own expense, will timely commence and complete the Property Improvement Plan to be agreed on and included in the franchise agreement.**]**

[Residential Units: If the hotel building will include residential units that will not be operated under a brand owned by Franchisor, the franchise agreement will include certain requirements regarding the residential units to ensure that they do not negatively affect the Hotel or the brand or cause guest confusion, including, among other requirements: that the Hotel and Franchisor's intellectual property are not used in any way in connection with the residential units or their marketing; that the residential units and Hotel remain distinct and separate and do not share amenities or physical spaces unless expressly agreed to by Franchisor; and that the residential units not be included in Hotel inventory or used for certain prohibited uses. Residential units will be used solely as long-term residences and will not be used for any short-term rental of less than six months and will not be branded under a competitor's brand.]

No Agreements with Other Parties: Franchisee represents that it has ownership, possession or control of the Hotel and the Site and the right to enter into this Term Sheet and the Agreements. Franchisee represents and warrants to Franchisor that no agreement or other arrangement of any type (including any management agreement, franchise agreement, letter of intent, option to purchase, technical services agreement, reservation agreement, or any oral agreement or course of conduct which could be construed to be a contract) exists, as of the date of this Term Sheet, with any third party relating to the Site or the Hotel, which would prohibit or conflict with the Franchisee's ability to enter into this Term Sheet or the Agreements (each, a "Third Party Agreement").

If any Third Party Agreement exists, on request of Franchisor, Franchisee will (i) provide documentation acceptable to Franchisor that evidences the expiration or right to terminate such Third Party Agreement, and (ii) comply with such Third Party Agreement and not terminate or attempt to terminate such Third Party Agreement in any manner that would constitute a breach or default under such Third Party Agreement. Franchisee acknowledges that Franchisor may cease negotiation of the Agreements if Franchisor receives notice that the other party to a Third Party Agreement contests such expiration or termination rights. Franchisee will defend, indemnify and hold harmless Franchisor, its Affiliates, and their respective directors, officers, employees, and agents, from any claim, loss, liability, cost, or expense arising out of any agreement alleged by any third party to be in conflict with this Term Sheet.

Exclusivity: The Exclusivity Period will begin on the date Franchisee returns this executed Term Sheet and will continue until _____. During the Exclusivity Period, the parties will negotiate exclusively with each other for the franchise to develop and operate the Hotel. During the Exclusivity Period, Franchisee and its Affiliates will not enter into any discussions, solicit or entertain proposals, with any other person for (i) any development on the Site other than the Hotel; (ii) any

franchise agreement, management agreement, lease or other agreement relating to the Hotel; or (iii) the sale or other disposition of the Hotel or the Site. "Affiliate" means, for any person, a person that is directly or indirectly controlling, controlled by, or under common control with such person. Franchisee agrees that no Third Party Agreement will be entered into with respect to the Site or the Hotel during the Exclusivity Period.

Confidentiality: The terms and relationship of the parties contemplated by this Term Sheet, and any information about the Hotel, Franchisee and Franchisor, including Franchisor's system and procedures, are confidential. Franchisee and Franchisor will not disclose such information to any other person (including the media) without the prior consent of the other party except (i) to their agents, consultants and representatives or lenders who need to know such information and who have been told of the requirement to keep the information confidential; (ii) as required by law; or (iii) as part of Franchisor's growth administration notification and approval process.

Representations: Franchisee represents and warrants that neither the Franchisee nor any of its Affiliates, directors, officers, employees and agents (i) has any claims against Franchisor or any of Franchisor's Affiliates; or (ii) is a Restricted Person (as defined in the Agreements).

Governing Law: This Term Sheet will be construed under and governed by the laws of the State of Maryland.

Costs: Each party will bear its own costs and expenses incurred under this Term Sheet.

Non-Binding: This Term Sheet is a non-binding expression of interest, except for the obligations in this paragraph and the paragraphs titled "No Agreement with Other Parties," "Exclusivity," "Confidentiality," "Representations," "Governing Law" and "Costs," which are binding obligations of Franchisor and Franchisee. This Term Sheet does not create a binding commitment by either party (or their Affiliates) to enter into the Agreements or any other transaction or to negotiate in good faith, and neither of the parties will be entitled to pursue any claims against the other related to the failure to enter into the Agreements.

This Term Sheet does not create a partnership, labor, agency or any other fiduciary relationship, and neither party may incur obligations on behalf of the other. The Agreements are subject to approval by appropriate committees and authorized representatives of Franchisor and Franchisee.

MIF, L.L.C.	[_____]
By: Marriott International, Inc. Its: Sole Member	
By: _____ Name: _____ Title: _____	By: _____ Name: _____ Title: _____

EXHIBIT B

APPLICATION

This application is to be completed online. 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.

FRANCHISE APPLICATION

Date: _____

To: MIF, L.L.C.
c/o Marriott International, Inc.
Lodging Development
Department 51/514.01
7750 Wisconsin Avenue
Bethesda, MD 20814
NALOlodgingdev@marriott.com

Dear Franchisor:

The undersigned applicant(s) (jointly and severally, "Applicant") submits this application ("Application") for the proposed franchised hotel(s) to MIF, L.L.C. and its affiliates ("Marriott").

1. The Applicant represents and warrants that:

(a) The Application consist of the following materials and all of the other information provided by Applicant or on Applicant's behalf connection with applying for and obtaining a franchise for the proposed hotel(s).

i **Franchise Disclosure Document Receipts.** If you have not already done so, please sign and date the receipts included at the back of each Franchise Disclosure Document provided to you and, in the case of a paper version of the Franchise Disclosure Document, return one to us for our records.

ii **This signed and dated Application Letter**.

iii **Application Forms I – IV.**

iv **Application Fee.** The following application fee (an "Application Fee") for each proposed hotel under this Application:

BRAND	APPLICATION FEE PER HOTEL (PAYABLE IN US DOLLARS)
Apartments by Marriott Bonvoy	$100,000 plus $400 per guestroom in excess of 250 guestrooms
AC Hotels by Marriott	$90,000 *plus* $500 per guestroom in excess of 150 guestrooms
Aloft by Marriott	$75,000 *plus* $500 per guestroom in excess of 150 guestrooms
Autograph Collection	$100,000 *plus* $400 per guestroom in excess of 250 guestrooms
citizenM	$90,000 plus $500 per guestroom in excess of 150 guestrooms
City Express by Marriott	$75,000
Courtyard by Marriott	$90,000 *plus* $500 per guestroom in excess of 150 guestrooms
Delta Hotels and Resorts	$100,000 *plus* $400 per guestroom in excess of 250 guestrooms
Element by Marriott	$75,000 *plus* $500 per guestroom in excess of 150 guestrooms

BRAND	APPLICATION FEE PER HOTEL (PAYABLE IN US DOLLARS)
Fairfield by Marriott	$75,000 *plus* $400 per guestroom in excess of 125 guestrooms
Fairfield by Marriott/ TownePlace Suites by Marriott Dual Brand	$100,000 *plus* $400 per guestroom in excess of 140 guestrooms
Four Points	$75,000 *plus* $400 per guestroom in excess of 150 guestrooms
Le Méridien	$100,000 *plus* $400 per guestroom in excess of 250 guestrooms
Marriott / JW Marriott	$100,000 *plus* $400 per guestroom in excess of 250 guestrooms
Moxy Hotels	$90,000 *plus* $500 per guestroom in excess of 150 guestrooms
Outdoor Collection by Marriott Bonvoy	$500 per guestroom
Renaissance	$100,000 *plus* $400 per guestroom in excess of 250 guestrooms
Residence Inn by Marriott	$90,000 *plus* $500 per guestroom in excess of 150 guestrooms
Series by Marriott	$75,000 *plus* $500 per guestroom in excess of 150 guestrooms
Sheraton	$100,000 *plus* $400 per guestroom in excess of 250 guestrooms
SpringHill Suites by Marriott	$75,000 *plus* $400 per guestroom in excess of 150 guestrooms
StudioRes by Marriott	$50,000, less any area development fee paid for the StudioRes by Marriott Hotel, if applicable
The Luxury Collection	$100,000 *plus* $400 per guestroom in excess of 250 guestrooms
TownePlace Suites by Marriott	$75,000 *plus* $400 per guestroom in excess of 125 guestrooms
Tribute Portfolio	$100,000 *plus* $400 per guestroom in excess of 250 guestrooms
Westin	$100,000 *plus* $400 per guestroom in excess of 250 guestrooms
Branded Spa (applies to Le Méridien, Sheraton and Westin only)	$27,000

(b) All of the information contained in the Application is true, correct, complete and not misleading through omission of material information, as of the date hereof.

(c) Applicant has authority to submit the Application and to enter into a franchise agreement with Franchisor with respect to each hotel identified herein (each an "Agreement" and collectively the "Agreements"). Neither the Application nor the execution of each Agreement will conflict with any obligations of Applicant to other parties. Franchisor has not induced Applicant to terminate or breach any agreement with respect to the hotel or hotels that are the subject of the Application.

(d) Applicant has legal control over the site for each hotel (to the extent specified above), as set forth in the Application, through fee ownership, leasehold, or a purchase contract.

(e) Applicant has received a Franchise Disclosure Document for each brand under which Applicant seeks to operate a hotel, is familiar with the franchise system(s) under which Applicant seeks to operate hotels, and understands the requirements for each such system as described in each respective brand's Franchise Disclosure Document.

(f) Neither Applicant, nor any entity of which Applicant has held the position of general partner, managing member or beneficial owner, is or has been (i) a defendant in civil litigation alleging fraud, deceit or similar claims; (ii) convicted of a criminal offense or the subject of a pending criminal proceeding (other than minor traffic offenses); (iii) the subject of a petition for protection under any bankruptcy or similar insolvency laws; (iv) a defaulting party in a foreclosure proceeding; or (v) the subject of disciplinary action with respect to the suspension or revocation of a professional or gaming license; and all of the information contained in the Application is true, correct, complete and not misleading through omission of material information, as of the date hereof.

(g) Neither Applicant nor any affiliate of Applicant (i) has any claims against Franchisor or any of Franchisor's affiliates or (ii) is a Competitor or a Restricted Person, as such terms are defined in the Agreements (see the form agreements attached to the FDD).

2. Applicant acknowledges and agrees that:

(a) Applicant is submitting this Application either as the person or entity that will sign one or more Agreements, or as the person or entity that will control the proposed franchisee for each hotel.

(b) Franchisor reserves the right to approve or deny this Application with respect to one or more hotels, in its sole discretion. Applicant will not acquire any rights by virtue of the submission of the Application whether or not Franchisor approves the Application. Any expenses incurred by or on behalf of Applicant in connection with this Application or any approval of this Application (including without limitation any costs of constructing, renovating or operating the proposed hotel(s)) are at Applicant's sole risk and are not being made in reliance on any action of Franchisor.

(c) Franchisor does not enter into oral agreements or understandings with respect to franchises or matters pertaining to the grant of a franchise. Accordingly, there are no agreements or understandings whatsoever between Applicant and Franchisor with respect to the Application or any franchise.

(d) An Application Fee will be paid to Franchisor via wire transfer no earlier than 10 business days after Applicant has received a Franchise Disclosure Document. The fee may be invested, commingled with other funds of Franchisor or otherwise used by Franchisor, as it deems appropriate in its discretion. Franchisor will not enter into an Agreement with Applicant until it receives full payment of the Application Fee.

(e) For each proposed hotel under this Application:

i For single-unit franchise agreements, if Franchisor does not approve the Application for the hotel, it shall have no liability to Applicant for such hotel other than to return the Application Fee for the hotel, less Ten Thousand Dollars ($10,000) and Franchisor's costs.

ii If the application for a single-unit franchise agreement is approved, the application fee for the hotel will not be refunded.

iii *MSB Only*: If Applicant and Franchisor have not executed a franchise agreement for the hotel within sixty (60) days after the issuance of the first draft of the franchise agreement for the hotel, Franchisor may withdraw its approval of the Application with respect to such hotel unless applicant pays an application extension fee of Ten Thousand Dollar ($10,000). The grant of extension under a single unit franchise agreement will not constitute a waiver of Franchisor’s rights under any area development agreement.

iv If Applicant and Franchisor have not executed a franchise agreement for a hotel within sixty (60) days after an extension, Franchisor will have the right to withdraw its approval of the hotel.

v If the Application is approved for a hotel, such approval is conditioned on Applicant retaining legal control over the specific site described in the Application. If at any time prior to execution of the Franchise Agreement, Applicant loses legal control over the site of the hotel, our approval of the Application with respect to the hotel will no longer be effective. In such event, Franchisor shall have no liability to Applicant and the full Application Fee for the hotel will be retained by

Franchisor**,** and Franchisor will withdraw its approval of the hotel. If Applicant subsequently regains legal control over such site or over a different site, a new Application for the hotel must be submitted.

(f) Whether or not Franchisor approves the Application, Applicant does not have any exclusive territorial rights. Franchisor and its affiliates may operate or grant others the right to operate the same brand(s) of hotel or other lodging facilities and other businesses at any location including locations proximate, adjacent or adjoining the site specified above. Franchisor may consider applications from other applicants for any sites without liability to Applicant.

(g) If Franchisor approves the Application, Applicant will not have any right to use the franchisor's trademarks, systems, or other intellectual property for each respective brand unless and until Franchisor and Applicant executes a franchise agreement authorizing Applicant to use the intellectual property associated with such brand at a particular hotel and the parties execute an Authorization to Open for the hotel.

(h) Any financial information provided by Applicant in connection with this Application (including the proposed financing and debt structure) will be prepared by Applicant or its advisors. Applicant acknowledges and agrees that Franchisor (i) has not participated in the preparation of that information, and (ii) is not ratifying or approving or making any representations as to the accuracy of that information, or the attainability of any projections.

(i) Franchisor has the right to conduct its own feasibility study and due diligence investigation with respect to each proposed hotel or conversion, and Applicant's and its affiliates' qualifications to operate such hotel. Such study and due diligence will include, but not be limited to, contacting persons at the hotel or involved in the development of the hotel, operators of other hotels in the market, employees of other hotels operated by Applicant and its affiliates and other franchisors of hotel brands who have agreements with Applicant and its affiliates. As part of Franchisor's due diligence investigation, Franchisor may require Applicant to provide additional information regarding the proposed Applicant, its affiliates and its owners. Franchisor shall have no liability to Applicant or its affiliates with regard to such study and investigation.

(j) Applicant, jointly and severally, hereby indemnifies and agrees to defend Franchisor and its affiliates and Franchisor's directors, officers, employees and agents and to hold them harmless from all losses, liabilities, costs, damages and expenses (including legal and accounting fees and expenses) consequently, directly or indirectly incurred and arising from, as a result of or in connection with the Application, including the breach of any representation or warranty contained in the Application. Franchisor shall have the right to take any action it may deem necessary in its sole discretion to protect and defend itself against any threatened action covered by this indemnification without regard to the expense, forum or other parties that may be involved. Franchisor may, in its sole discretion, 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.

(k) Applicant will immediately inform Franchisor (i) of any material change in any information contained in the Application, and (ii) if Applicant learns that as of the date of this Application that any representation or warranty is untrue. If Applicant is executing this Application on behalf of a separate legal entity that has not yet been formed but will be controlled by Applicant, Applicant commits to provide all information and documentation related to such separate entity to Franchisor upon its formation and will immediately advise Franchisor of any changes in any information provided in Form III of this Application. The terms of this application letter will survive approval or disapproval of the Application.

(l) This application letter will be governed by the law of the State of Maryland without reference to the conflict of laws principles thereof.

(m) This application letter may be executed in several counterparts, each of which shall be deemed an original but which together shall constitute one and the same instrument.

APPLICANT SIGNATURE
By signing below, entering my complete name, today's date, I acknowledge and agree that: (a) I have chosen to submit my application and signature electronically, and (b) I have read the application and all of the exhibits and attachments thereto in their entirety. I further represent and warrant that all of the information in this application and all of the information that I will submit as part of the application process are true and complete to the best of my knowledge and belief. Your Complete Name: _____ Today's Date: _____

FORM I TO THE APPLICATION: PROJECT DESCRIPTION

(Complete for Each Hotel)

SITE SPECIFICATIONS			
Hotel Address or Quadrant Description			
Latitude		Longitude	
Site Square Footage		Acreage	
Number of Rooms		Number of Floors	
Modular	[Drop Down Menu: Yes/No]	Mix of Rooms	
New Build/Conversion	[Drop Down Menu: New Build/Conversion]	Current Affiliation	
Adaptive Re-Use	[Drop Down Menu: Yes/No]	Year Built	
Building Type (MSB Hotels Only)	[Drop Down (with explanations): Protype/Modified Prototype/Custom/Co-Branded]		

CURRENT FORM OF SITE CONTROL Please describe Applicant's current form of site control for the Hotel or Site:	
Is the Deed in the Name of the Proposed Franchisee?	[Drop Down Menu: Yes/No]
If Yes, Attach Here	Attach Here
Is the Deed in the Name of an Affiliate?	[Drop Down Menu: Yes/No]
If Yes, Attach Here and Answer the Following Questions	Attach Here
(1) Will the Deed be Transferred to the Proposed Franchisee?	[Drop Down Menu: Yes/No]
(2) Will There be an Intercompany Lease with the Proposed Franchisee?	[Drop Down Menu: Yes/No]
If Yes, Attach Here	Attach Here
Is the Deed Currently in the Name of a Third Party Not Affiliates with the Proposed Franchisee?	[Drop Down Menu: Yes/No]
If Yes, Attach Here and Answer the Following Questions	Attach Here
(1) Is There a Signed Purchase Contract?	[Drop Down Menu: Yes/No]
If Yes, Attach Here and Answer the Following Questions	Attach Here
a. If Yes, Will the Land be Transferred to the Proposed Franchisee Upon Closing?	[Drop Down Menu: Yes/No]
b. If No, Explain How the Proposed Franchisee will Obtain the Title/Control of the Site	
(2) Is There a Lease?	[Drop Down Menu: Yes/No]
If Yes, Attach Here and Answer the Following Questions	Attach Here
a. Is This a Ground Lease?	[Drop Down Menu: Yes/No]
b. Is This a Building Lease?	[Drop Down Menu: Yes/No]
c. If the Lease is not Signed, Please Explain How and When the Proposed Franchisee will Obtain Leasehold Interest or Control of the Site	
(3) Is There a Contribution Agreement?	[Drop Down Menu: Yes/No]
If Yes, Attach Here and Answer the Following Questions	Attach Here
a. If the Contribution Agreement is not Signed, Please Explain How and When the Proposed Franchisee will Obtain Title or Control of the Site	
(4) Other, Please Describe how the Proposed Franchisee will Obtain Title/Control of the Site	

SITE RESTRICTIONS	
Is the Site/Hotel Subject to a Current Franchise Agreement, Management Agreement or Related Agreement (letter of intent, option to purchase, technical services agreement, reservation agreement, or any oral agreement)?	[Drop Down Menu: Yes/No]
If Yes, Provide Anticipated Termination or Expiration Date	
Will the Hotel Share Components with Other Non-Marriott Properties? If Yes, Describe Any Shared Components (e.g. pool, laundry, parking, etc.).	[Drop Down Menu: Yes/No]
Other Site Restrictions (describe any restrictions or moratoriums on the site that would necessitate special local variances)	

ATTACHMENTS	
Attach Any Existing Agreements Relating to Site (including any Notice of Termination) and Evidence of Other Site Restrictions	Attach Here

SITE AMENITIES AND CHARACTERISTICS	
Is There a Third-Party Restaurant?	[Drop Down Menu: Yes/No]
If Yes, Describe the Location of the Restaurant	
Will There be a Separate Street Address?	[Drop Down Menu: Yes/No]
Will There be a Separate Entrance?	[Drop Down Menu: Yes/No]
Identify the Third-Party Operator (if applicable)	
What is the Brand Affiliation?	
Identify Shared Components	
Is There a Bar/Lounge?	[Drop Down Menu: Yes/No]
Will the Bar/Lounge be Located on the Rooftop?	[Drop Down Menu: Yes/No]
Will There be a Separate Elevator (no key card required)?	[Drop Down Menu: Yes/No]
Identify the Third-Party Operator (if applicable)	
What is the Bar/Lounge Name?	
Identify Shared Components	
Is there Retail Space?	[Drop Down Menu: Yes/No]
Describe the Location of the Retail Space	
Will There be a Separate Street Address and Entrance?	[Drop Down Menu: Yes/No]
Identify the Third-Party Operator (if applicable)	
What is the Retail Space Name?	[Drop Down Menu: Yes/No]
Is there a Conference Facility Within the Development Site?	[Drop Down Menu: Yes/No]
Is the Conference Space Connected to the Hotel?	[Drop Down Menu: Yes/No]
Will the Conference Space be Branded or Unbranded?	[Drop Down Menu: Branded/Unbranded]
Identify the Third-Party Operator (if applicable)	
Identify Shared Components	
Is There a Casino or Other Gaming Facility Within the Development Site?	[Drop Down Menu: Yes/No]
Is the Casino Space Connected to the Hotel?	[Drop Down Menu: Yes/No]
Identify the Third-Party Operator	
What is the Name of the Gaming Facility?	
Will Rooms be Comped?	[Drop Down Menu: Yes/No]

Describe Any Other Anticipated Forms of Revenue Sharing	
Identify Shared Components	
Is There a Residential Component?	[Drop Down Menu: Yes/No]
Will the Residences be Marriott branded?	[Drop Down Menu: Yes/No]
Describe the Location of the Residences	
Identify the Third-Party Operator (if applicable)	
What is the Name of the Residences?	
Are There Other Additional Business?	[Drop Down Menu: Yes/No]
Describe Additional Businesses	
Are Billboard and Directional Signage Available?	

ATTACHMENTS	
Plat of Site and Site Plan indicating the following: • Area of land parcel in acreage and/or square feet, scale of plan, and north arrow • Adjacent roadways with names • Vehicular points of access and/or curb cuts onto the site (if access from the nearest public roadway is through an adjacent site, provide a plan that includes information about the adjacent site (roadways, buildings, drive aisles, parking spaces, etc.) • Property line with metes and bounds • Locations of setbacks, easements, or other building restrictions, such as topographic features that affect the development of potential of the site • Hotel building footprint with overall dimensions, number of floors, and number of rooms labeled • Room matrix chart showing the proposed room mix • Other existing or planned structures that share the site • Outdoor amenity areas and patios • Service areas and trash enclosures • Drive aisles and parking spaces with dimensions <u>Custom, Modified Prototype, or Conversion Projects</u>: In addition to the prototypical criteria, the following criteria is required for Custom, Modified Prototype, or Conversion projects: • Facilities Program chart with square footage tabulations indicating how the project complies with the specific requirements for the applicable Brand and the proposed room mix • Conceptual floor plans showing public space and guest room layouts • Conceptual building elevations that illustrate how the project will convey the Brand image through the use of building massing, materials, and colors	Attach Here
Attach Relevant Documents Relating to Additional Business(es)	Attach Here

[CLICK HERE TO ADD INFORMATION FOR ADDITIONAL HOTELS]

FORM II TO THE APPLICATION: DEVELOPMENT/CONVERSION COSTS, PROJECTIONS, AND FINANCING

(Complete for Each Hotel)

NEW BUILD			
Land Cost		Lease Cost (if applicable)	$_____ per month/year
Development Cost		Number of Rooms	
Total Cost		Total Cost / Room	
Construction Start		Construction Completion	
CONVERSION/ADAPTIVE REUSE			
Acquisition Cost		Lease Cost (if applicable)	$_____ per month/year
Conversion Cost		Number of Rooms	
Total Cost		Total Cost / Room	
		Year Built	
Construction Start		Conversion Completion Date	
APPLICANT'S PROJECTIONS OF HOTEL PERFORMANCE			
Attach 3 Year Projections or Fill in Chart Below			[ATTACH HERE]
	Year 1	Year 2	Year 3
ADR			
OCCUPANCY			

5 -YEAR PROFIT AND LOSS STATEMENT FOR CONVERSION HOTELS
[ATTACH HERE]

PROJECT FINANCING	
Debt to Equity Ratio	

EQUITY
[Indicate proposed source of equity and the percentage of the total development costs the equity represents.]

DEBT			
Source of Construction Financing			
Source of Permanent Financing			
FOR DEBT SECURED BY THE HOTEL			
Source		Term (in years)	
Mortgage Amount		Interest Rate	
Nature of Security Interest		Annual Payment	

ADDITIONAL FINANCING			
[Drop Down Menu: Second Lien Mortgage, Mezzanine Financing, Other (with room for explanation)]			
If Other, Please Explain.			
Source		Loan Amount	
Security		Term (Years)	
Interest Rate		Annual Payment	

ATTACHMENTS
[ATTACH HERE]

[CLICK HERE TO ADD INFORMATION FOR ADDITIONAL HOTELS]

FORM III TO THE APPLICATION: OWNERSHIP OF FRANCHISEE

FRANCHISEE INFORMATION			
Person/Entity Name			
Address			
Telephone Number		Email Address	
PRINCIPAL CORRESPONDENT(S)			
Principal Correspondent		Title	
Address			
Telephone Number		Email Address	
AUTHORIZED SIGNATORY			
Signatory Name		Title	
Address			
Telephone Number		Email Address	
PROPOSED GUARANTOR			
Name			
Address			
Telephone Number		Email Address	
Relationship to Franchisee			

OWNERSHIP OF FRANCHISEE

ENTITY/INDIVIDUAL	ADDRESS	DESCRIPTION OF INTEREST	% OWNERSHIP	ATTACH FORMATION DOCUMENTS
[Franchisee Entity]		Franchisee	N/A	[e.g., Certificates of Formation]
[Owner 1]		[e.g., GP, Member, Shareholder]	%	
[Owner 2]			%	
[repeat as needed]			%	
Various individual(s)/entity(ies), none of which control Franchisee, or own (directly or indirectly) 25% or more of Franchisee			%	
TOTAL =			100%	
INDIVIDUAL(S) AND/OR ENTITY(IES) THAT ULTIMATELY CONTROL FRANCHISEE ENTITY				
ATTACH ORGANIZATIONAL CHART HERE				[ATTACH HERE]

Instructions for Completing the Ownership Chart

• At a minimum, you must include any individual, group of individuals, or entity that collectively, directly or indirectly, "controls" Franchisee, or owns 25% or more of the Franchisee. "Control" is as defined in the form franchise agreement attached to the FDD.

• If no individual, group of individuals, or entity owns 25% or more, or if you are unsure, **list all individuals or entities with a direct or indirect ownership interest in Franchisee**.

• You must include the **ownership percentage** for each individual or entity.

• If your ownership structure includes **multiple entities and** you are unsure of the indirect ownership percentages of the Franchisee, provide a breakdown of their ownership below the Franchisee as needed to reflect cumulative ownership **or attach an organizational chart that illustrates the full ownership structure**.

Providing complete and accurate information will help avoid delays in processing your application.

FORM IV TO THE APPLICATION: HOTEL MANAGEMENT AND HOTEL EXPERIENCE

(For Single Unit Franchise Agreements)

HOTEL 1	
Proposed Brand	
Street Address	
MANAGEMENT COMPANY	
Name	
Mailing Address	
Telephone Number	
Contact Person Name and Email Address	
Attachments Describing Experience	[ATTACH HERE]
Common Ownership?	[Describe common ownership between franchisee and the management company for the hotel, including the level in the ownership structure at which there is common ownership, the percentage ownership interest in the management company and the franchisee that is commonly owned, and provide an ownership structure chart for the management company.]

APPLICANT EXPERIENCE				
Name of Entity	Hotel Name/Location	# of Rooms	Description of Interest (including length of time)	% Ownership

[CLICK HERE TO ADD INFORMATION FOR ADDITIONAL HOTELS]

Marriott Group Privacy Statement for the Collection of Non-Employee and Non-Guest Personal Data

Last Updated: February 28, 2023

1. Introduction

The Marriott Group, which includes Marriott International, Inc. and its affiliates ("Marriott," "we," "our"), is committed to protecting the Personal Data it collects, stores and uses. This Privacy Statement covers Personal Data of individuals other than Marriott Associates, such as contractors, consultants, Franchise Hotel employees, business partners, and non-guests ("you," "your"). For avoidance of doubt the Personal Data of Marriott Associates is covered by the **Associate Personal Data Privacy Statement**, and the Personal Data of guests is covered by the **Marriott Group Global Privacy Statement**, and not this Statement.

2. Purpose

The collection and use of your Personal Data enables Marriott to engage in business planning and operational processes, such as project implementation, providing training, and administering discount programs to others besides Marriott Associates and guests.

3. What Data Marriott Collects, Uses, Transfers and Shares, and Why

Marriott may have collected or will collect information about you and your relationship with Marriott. Marriott refers to such data as "Personal Data." For more specific information regarding the Personal Data about you that Marriott may collect, use, transfer, and share, and the purposes for which it may be collected, used, transferred, and shared, please see the end of this Statement. Marriott will not use Personal Data for any purpose incompatible with the purposes described in this Statement, unless it is required or authorized by law, authorized by you, or is in your own vital interest (e.g., in the case of a medical emergency).

With the exception of certain Personal Data that is required by law, or is necessary or important to the performance of our business, your decision to provide Personal Data to Marriott is voluntary. However, if you do not provide certain required Personal Data, Marriott may not be able to accomplish some of the purposes outlined in this Statement.

4. Who Has Access to Your Personal Data

Access to Personal Data within Marriott will be limited to personnel with a business need to access Personal Data for the purposes described at the end of this Statement, and may include Marriott personnel in Human Resources, Lodging Development, Information Technology, Compliance, Legal, Finance and Accounting, and Internal Audit. Occasionally, Marriott may also need to make Personal Data available to owners of the Marriott Group-branded properties that we manage, or other, unaffiliated, third party service providers.

Third party service providers and owners are expected to protect the confidentiality and security of Personal Data, and only use Personal Data for the provision of services to Marriott, or in accordance with agreements, and in compliance with applicable law.

5. Security

Marriott will take appropriate measures to protect Personal Data, consistent with applicable privacy and data security laws and regulations, including requiring service providers to use appropriate measures to protect the confidentiality and security of Personal Data.

6. Data Integrity and Retention

We will retain your Personal Data for the period necessary to fulfill the purposes outlined in this Privacy Statement unless a longer retention period is required or permitted by law.

The criteria used to determine our retention periods include:

- The length of time we have an ongoing relationship with you
- Whether there is a legal obligation to which we are subject
- Whether retention is advisable considering our legal position (such as, for statutes of limitations, litigation or regulatory investigations)

7. Individual Rights Requests

Please contact privacy@marriott.com if you have any questions or concerns about how Marriott processes Personal Data; if you wish to request access, correction, suppression, or deletion of your Personal Data; if you wish to request that Marriott cease using your Personal Data; or if you would like to request an electronic copy of your Personal Data for purposes of transmitting it to another company. Marriott will respond consistent with applicable law. Please note, however, that certain Personal Data may be

exempt from these requests pursuant to applicable data protection laws or other laws and regulations.

8. Your Obligations

Please keep Personal Data current and inform us of any significant changes to Personal Data. You agree to inform others whose Personal Data you provide to Marriott about the content of this Statement, and to obtain their consent (provided they are legally competent to give consent) for the use (including transfer and disclosure) of that Personal Data by Marriott as set out in this Statement, or as required by applicable law.

9. Reasons and Basis for Collection, Use, Transfer and Disclosure

Marriott collects and processes data about you: (i) because we are required to do so by applicable law; (ii) because such data is of particular importance to us and we have a specific legitimate interest under law to process it; (iii) because such data is necessary to fulfill a contract; or (iv) where necessary to protect the vital interests of any person. Marriott's legitimate interest in collecting and processing Personal Data is detailed at the end of this notice and includes, for example:(1) to administer and generally conduct business within Marriott; (2) to ensure that our networks and data are secure; and (3) to prevent fraud. Where this reason does not apply, your decision to provide Personal Data to Marriott is voluntary, and we will process such data with your consent, which you may withdraw at any time.

10. Transfers and Use of Personal Data in the European Economic Area (EEA)

Due to the global nature of Marriott operations, Marriott may, through the internet and Marriott's networks, share Personal Data with personnel and departments throughout Marriott to fulfill the purposes described at the end of this Statement. This may include transferring Personal Data to other countries or regions (including countries or regions other than where you are based and that have a different data protection regime than is found in the country where you are based). A list of the Marriott Group affiliated companies that may process and use Personal Data is available **here**.

We may transfer Personal Data to countries located outside of the European Economic Area ("EEA"). Some of these countries are recognized by the European Commission as providing an adequate level of protection according to EEA standards (the full list of these countries is available **here**↗). For transfers from the EEA to other countries, we have put in place adequate measures, Data Transfer Agreements and/or Standard Contractual Clauses to protect your data.

11. Data Protection Officer Contact Information and

Complaints

If you have any questions or concerns, please initiate your request with your corporate representative. We will investigate and attempt to resolve complaints and disputes regarding use and disclosure of Personal Data.

If you are not satisfied, you may contact the data protection officer responsible for your country or region via MarriottDPO@marriott.com. In your email, please indicate the country in which you are located. Additionally, you may lodge a complaint with a data protection authority for your country or region or where an alleged infringement of applicable data protection laws has occurred at http://ec.europa.eu/newsroom/article29/item-detail.cfm?item_id=612080↗.

12. Changes to the Statement

Marriott reserves the right to amend this Statement at any time in order to address future business developments or changes in the industry or legal trends. Marriott will post the revised Statement on Marriott Global Source (MGS) or announce the change on the home page of this website. You can determine when the Statement was revised by referring to the "Last Updated" legend at the top of this Statement.

Types of Personal Data Marriott May Collect, Use, Transfer and Share

- **Personal Details:** Name, associate identification number, work and home or residential contact details (email, phone numbers, postal address) language(s) spoken, gender, date and place of birth, national identification number, social security number, nationality, marital/civil partnership status, domestic partners, dependents, disability status, emergency contact information and photograph.

- **Position:** Internal descriptor used to support course offerings.

- **System and Application Access Data:** Data required to access Marriott systems and applications such as System ID, LAN ID, mHUB, email account, instant messaging account, mainframe ID, and electronic content produced using Marriott systems.

- **Sensitive Personal Data:** Marriott may also collect certain types of sensitive data only when permitted by local law, such as biometric,

health/medical data, trade union membership information, religion and race or ethnicity. Marriott collects this data for specific purposes, such as health/medical information to accommodate a disability or illness and to provide benefits; religion or church affiliation in countries such as Germany where required for statutory tax deductions; and diversity-related Personal Data (such as gender, race or ethnicity) to comply with legal obligations and internal policies relating to diversity and anti discrimination. Marriott will only use such sensitive data for the purposes listed below and as provided by law.

The Purposes for which Marriott May Collect, Use, Transfer and Share Personal Data

- **Communications and Security:** Facilitating communications and safeguarding and maintaining IT infrastructure by using various security tools, office equipment, facilities and other property.

- **Business Operations:** Operating and managing the IT, communications systems, and facilities, managing product and service development, improving products and services, managing Marriott assets, project management, business continuity, offering services and benefits, and maintaining records relating to business activities.

- **Compliance:** Complying with legal and other requirements applicable to Marriott's business in all countries or regions in which Marriott operates, record-keeping and reporting obligations, conducting audits, compliance with government inspections and other requests from government or other public authorities, responding to legal process such as subpoenas, pursuing legal rights and remedies, defending litigation and managing any internal complaints or claims (including those received through the hotlines), conducting investigations including reported allegations of wrongdoing, policy violations, fraud, financial reporting concerns, and complying with internal policies and procedures.

- **Monitoring:** Monitoring of email and other Marriott-owned resources, and other monitoring activities as permitted by local law. Please note that electronic communications, such as emails from Marriott-provided electronic communication services and the Marriott network, do not grant personal, privileged, or confidential status or rights in such communications to the sender, recipient, or user of such messages.

There is no right to privacy or to assert any privileges with respect to such electronic communications. Marriott reserves the right to access, monitor, review, copy, and/or delete any such electronic communications. Marriott also reserves the right to assert privileged or confidential status or rights in such communications as permitted by law.

The Categories of Unaffiliated Third Parties with whom Marriott May Share Personal Data

- **Service Providers:** Companies that provide products and services to Marriott such as, human resources services, expense management, IT systems suppliers and support, trade bodies and associations, accountants, auditors, lawyers, insurers, bankers, and other outside professional advisors and service providers.

- **Public and Governmental Authorities:** Entities that regulate or have jurisdiction over Marriott such as regulatory authorities, law enforcement, public bodies, and judicial bodies.

Related Links

Terms of Use →
SMS Messaging Terms of Use →
Digital Entry Terms of Use →

English

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Relicensing Application Example for FDD - U.S./Canada

Instructions for Submitting Application

INSTRUCTIONS FOR SUBMITTING A FRANCHISE APPLICATION FOR CHANGE OF OWNERSHIP AND ANY OTHER RELICENSING TRANSACTION OR RENEWAL

The following is a list of the documents, Application forms and information that, when assembled and submitted to MIF, L.L.C. c/o Marriott International, Inc. (“Marriott”) will comprise a Franchise Application applicable to one or more hotels. Please contact the person who sent you this Application if you have any questions regarding the forms or information required for the Application.

PLEASE COMPLETE ALL FORMS AND RETURN TO THE PERSON WHO SENT YOU THE APPLICATION.

YOUR APPLICATION WILL BE PROCESSED WHEN ALL DOCUMENTS AND REQUESTED INFORMATION HAVE BEEN RECEIVED BY MARRIOTT.

APPLICATION FORMS AND REQUIREMENTS

Please complete each applicable form as indicated and submit with your Application. Attach additional sheets as necessary. If the Application applies to more than one hotel and if any requested information is the same for some of the hotels, please complete the relevant information once and indicate the hotels to which the information applies. As the forms are intended to cover a number of different types of transactions, not all forms will be applicable to all transactions. Refer to the instructions below and the individual forms for specific information regarding completion of the forms for renewals.

We reserve the right to require additional information as part of our review process or prior to execution of a franchise agreement and related documents.

1. **RECEIPT OF FRANCHISE DISCLOSURE DOCUMENT**

   For each hotel that is the subject of your Application, please complete and return the Receipt ("Receipt") from the applicable Franchise Disclosure Document provided to you. An Application cannot be accepted for processing until you have submitted a properly executed Receipt signed by an individual with authority to bind the prospective franchisee. The Receipt should be dated the date you received the Franchise Disclosure Document. If the same entity will serve as franchisee for more than one hotel and the Franchise Disclosure Document relates to the brands of such hotels, you may complete one Receipt for such hotels and attach a schedule listing the hotels subject to the Receipt. You may use Schedule A to the Application Letter (Form 1) for such purpose. If the same entity will not serve as franchisee for more than one hotel, you must complete a separate Receipt for each hotel, including the exact name of the franchisee and the location of the hotel.

2. **APPLICATION LETTER (FORM 1)**

   An Application Letter must be completed and executed by each separate franchisee. If the franchisee will be a legal entity that has not yet been formed, you may execute the Application on behalf of such separate legal entity in the name of the parent company that will control such separate legal entity. Once such legal entity has been formed, you must provide all information and documentation required by these Instructions.

3. **PROPOSED FINANCING AND FINANCIAL INFORMATION (FORM 2)**

   Form 2 must be completed for each hotel that is the subject of the Application and the financial information must be provided for each proposed franchisee.

4. **OWNERSHIP STRUCTURE AND DUE DILIGENCE (FORM 3)**

   Form 3 must be completed for each franchisee of each hotel that is the subject of the Application and, if different, each owner of each hotel (or the land upon which the hotel is built) that is the subject of the Application (each, an "Applicant Entity"). Please provide the information and documents required in Form 3. We may require additional information regarding an Applicant Entity as part of Marriott's due diligence process.

   PLEASE NOTE: YOU MAY NOT USE ANY MARRIOTT PROPRIETARY MARK OR AN ABBREVIATION OF ANY SUCH MARK IN THE NAME OF ANY ENTITY.

5. HOTEL MANAGEMENT (FORM 4)

For each hotel, indicate whether the proposed franchisee or a management company will manage the hotel and provide the information requested. Please also indicate if there is common ownership between the proposed franchisee and the management company for a hotel and provide the requested information. If the hotel is to be managed by a management company, there may be additional requirements. For provisions required to be in your management agreement and for additional information related to our requirements, see Item 15 of the applicable Franchise Disclosure Document.

6. HOTEL EXPERIENCE (FORM 5)

Please provide the requested information regarding operation or ownership experience in other lodging facilities.

7. APPLICABLE BRAND AND APPLICATION FEE

The Application Fee (payable in US Dollars) for each hotel subject to this Application is set forth below for each brand of hotels unless otherwise indicated in the Application Letter (Form 1):

"Hotel Brand" : The greater of $xxx,xxx or $xxx per guestroom

No fees of any kind may be paid to us in connection with an application until at least 10 business days after the date of the applicable Receipt.

FOR WIRE PAYMENTS:

"Hotel Brand":

Bank	Bank of New York Mellon 500 Ross Street Pittsburgh, PA 15262
ABA	043000261
Swift	IRVTUS3N
Account Name	Marriott International, Inc.
Account Number	1998036
Reference	App Fee - Unit #: FDD Example
Contact	MI Revenue Services Accounting Revenue/Fee Applications

Form I: Letter and Signature(s)

Letter

MIF, L.L.C.
c/o Marriott International,
Inc. Franchise Transactions
7750 Wisconsin Avenue
Bethesda, MD 20814

Re: Application for a Franchise for the Hotel(s) Listed on Schedule A

Ladies/Gentlemen:

This application letter, along with our Application Fee payment (in US Dollars) is furnished to MIF, L.L.C. ("Franchisor") in order to induce Franchisor to process the application of the undersigned for the hotel(s) listed in Schedule A.

In connection with processing and evaluating the application, Franchisor and its affiliates may rely on each of the following representations, warranties, acknowledgments and agreements and all information provided by us or on our behalf in connection with this application (collectively, the "Application").

1. The undersigned, jointly and severally, represent and warrant that:

1. All information contained in the Application is true, correct, complete and not misleading through omission of material information, as of the date hereof.

2. The undersigned has authority to submit the Application and enter into a franchise agreement with Franchisor for each hotel listed on Schedule A (each, a "Franchise Agreement"). Neither the Application nor the execution of the Franchise Agreement(s) will conflict with any obligations of the undersigned to other parties. Franchisor has not induced the undersigned to terminate or breach any agreement with respect to the hotel(s) specified on Schedule A.

3. If this Application is in connection with a proposed change of ownership, the undersigned has executed a binding purchase contract for the purchase of the hotel(s) specified on Schedule A.

4. The undersigned is familiar with the system for each brand of hotel listed on Schedule A (as described in the applicable Franchise Disclosure Document) and its requirements. A Franchise Disclosure Document for each brand of hotel listed on Schedule A has been provided by Franchisor to the undersigned.

5. Neither the undersigned, nor any entity of which the undersigned has held the position of general partner, managing member or beneficial owner, is or has been (i) a defendant in civil litigation alleging fraud, deceit or similar claims; (ii) convicted of a criminal offense or the subject of a pending criminal proceeding (other than minor traffic offenses); (iii) the subject of a petition for protection under any bankruptcy or similar insolvency laws; (iv) a defaulting party in a foreclosure proceeding; or (v) the subject of disciplinary action with respect to the suspension or revocation of a professional or gaming license.

Neither the undersigned nor any affiliate of the undersigned (i) has any claims against Franchisor or any of Franchisor's affiliates or (ii) is a Competitor or a Restricted Person, as such terms are defined in the Franchise Agreement(s) in the applicable Franchise Disclosure Document.

2. The undersigned acknowledges and agrees that:

1. Franchisor reserves the right to approve or deny this Application, in its sole discretion. The undersigned will not acquire any rights by virtue of the submission of the Application whether or not Franchisor approves the Application. Any expenses incurred by or on behalf of the undersigned in connection with this Application (including without limitation any costs of constructing, renovating or operating any hotel that is the subject of this Application) are at the undersigned's sole risk and are not being made in reliance on any action of Franchisor.

2. Franchisor does not enter into oral agreements or understandings with respect to franchises or matters pertaining to the grant of a franchise. Accordingly, there are no agreements or understandings whatsoever between the undersigned and Franchisor with respect to any franchise.

3. Franchisor will engage outside legal counsel to assist in documenting the grant of the franchise for the hotel(s) specified on Schedule A. Whether or not a Franchise Agreement is executed for every hotel listed on Schedule A, the undersigned will be responsible for the payment of such outside counsel's legal fees.

4. An Application Fee has been paid to Franchisor with the Application. The fee may be invested, commingled with other funds of Franchisor or otherwise used by Franchisor, as it deems appropriate in its discretion. Franchisor will not process the Application until it receives full payment of the Application Fee. The Application Fee is nonrefundable. However, if a Franchise Agreement is not executed for any hotel listed in Schedule A because the applicable hotel (or any interest therein) is not acquired by the undersigned or its affiliates, then, with respect to each such hotel, Franchisor will return the portion of the Application Fee actually paid for such hotel less Ten Thousand Dollars ($10,000) (after Franchisor confirms that all outside counsel fees and expenses associated with the transaction have been paid by the undersigned).

5. Whether or not Franchisor approves the Application, the undersigned will not have any exclusive territorial rights. Franchisor and its affiliates may operate or grant others the right to operate the same brand(s) of hotels(s) or other lodging facilities and other businesses at any location including locations proximate, adjacent or adjoining the site(s) specified on Schedule A. Franchisor may consider applications from other applicants for any sites without liability to the undersigned.

6. If this Application is in connection with a proposed change of ownership and if Franchisor approves the Application, the undersigned may not take any level of ownership, possession, control or management of a hotel listed on Schedule A or use any of Franchisor's proprietary marks or systems unless and until it has executed the Franchise Agreement (and any related agreements) and has received copies of the Franchise Agreement (and any related agreements) countersigned by Franchisor. The undersigned may not take possession, ownership, control or management of a hotel prior to the Effective Date as stated in the Franchise Agreement.

7. Any financial information provided by the undersigned in connection with this Application (including the financing and debt structure proposed for each hotel listed on Schedule A) will be prepared by the undersigned or their advisors. We acknowledge and agree that Franchisor (i) has not participated in the preparation of that information, and (ii) is not ratifying or approving or making any representations as to the accuracy of that information, or the attainability of any projections.

8. If Franchisor enters into a Franchise Agreement with the undersigned for a hotel listed on Schedule A, and the Effective Date of that Franchise Agreement does not occur on the first day of a Marriott accounting period, the undersigned may be responsible for all amounts due to Franchisor or its affiliates with respect to the hotel for the entire accounting period in which the Effective Date occurs.

The undersigned, jointly and severally, hereby indemnifies and agrees to defend Franchisor and its affiliates and Franchisor's directors, officers, employees and agents and to hold them harmless from all losses, liabilities, costs, damages and expenses consequently, directly or indirectly incurred (including legal and accounting fees and expenses) and arising from, as a result of or in connection with the Application, including the breach of any representation or warranty contained in the Application. Franchisor will have the right to take any action it may deem

necessary in its sole discretion to protect and defend itself against any threatened action covered by this indemnification without regard to the expense, forum or other parties that may be involved. Franchisor may, in its sole discretion, 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.

The undersigned will immediately inform Franchisor of any material change in any information contained in the Application or if the undersigned learns that any representation or warranty is untrue as of the date such representation or warranty was made. If the undersigned is executing this Application on behalf of separate legal entities that have not yet been formed but will be controlled by the undersigned, the undersigned commits to provide all information and documentation related to such separate entities to Franchisor upon their formation and will immediately advise Franchisor of any changes in any information provided in Form 3 of this Application. The terms of this application letter will survive approval or rejection of the Application or failure to enter into a Franchise Agreement.

This application letter will be governed by the law of the State of Maryland without reference to the conflict of laws principles thereof.

This application letter may be executed in several counterparts, each of which will be deemed an original but which together will constitute one and the same instrument.

Signatures

Schedule A

Hotels List

Unit No.	MARSHA	Brand	Hotel Name	State	Rooms	App Fee
12345	ABCDE	XXX	XXXXX	XX	XXX	$0
				Total:		**$0**

Form II: Terms & Financing

Purchase Terms - FDD Example - "Hotel Brand"

Proposed Closing Date

Purchase Price

Amount of Equity

Sources of Equity

Purchase & Sale Agreement

Financing - FDD Example - "Hotel Brand"

Mortgage Amount

Sources of Financing

Financial Information

Supporting Documentation

Form III: Ownership

Ownership Structure and Due Diligence

Applicant Entity Name

State / Province of Formation

Type of Entity

[ ] Estate [ ] General Partnership [ ] Individual [ ] Joint Venture

[ ] Limited Liability Company [ ] Limited Partnership

[ ] Privately Held Corporation [ ] Public Corporation

[ ] Syndicated Limited Partnership [ ] Trust [ ] Other

Address

Phone Number

Tax ID No.

Email Address

Authorized Signer for Entity

Name

Title

Address

Phone Number

Email Address

Principal Correspondent

Name

Title

Address

Phone Number

Email Address

Due Diligence
Application Entity Type

OWNERSHIP OF APPLICANT ENTITY			
ENTITY/INDIVIDUAL	ADDRESS	DESCRIPTION OF INTEREST	% OWNERSHIP
[Applicant Entity]		Franchisee	N/A
[Owner 1]		[e.g., GP, Member, Shareholder]	%
[Owner 2]			%
[repeat as needed]			%
Various individual(s)/entity(ies), none of which control Franchisee, or own (directly or indirectly) 25% or more of Franchisee			%
TOTAL =			100%
INDIVIDUAL(S) AND/OR ENTITY(IES) THAT ULTIMATELY CONTROL APPLICANT ENTITY			
ATTACH ORGANIZATIONAL CHART HERE			
[ATTACH HERE]			

Instructions for Completing the Ownership Chart

- Please attach or include the formation document for the Applicant Entity (e.g. Articles of Organization or Certificate of Formation for an LLC; Articles or Certificate of Incorporation for a corporation; Certificate of Limited Partnership for an LP)
- At a minimum, you must include any individual, group of individuals, or entity that collectively, directly or indirectly, "controls" Applicant Entity, or owns 25% or more of the Applicant Entity. "Control" is as defined in the form franchise agreement attached to the FDD.
- If no individual, group of individuals, or entity owns 25% or more, or if you are unsure, **list all individuals or entities with a direct or indirect ownership interest in Applicant Entity**.
- You must include the **ownership percentage** for each individual or entity.
- If your ownership structure includes **multiple entities and** you are unsure of the indirect ownership percentages of the Applicant Entity, provide a breakdown of their ownership below the Applicant Entity as needed to reflect cumulative ownership **or attach an organizational chart that illustrates the full ownership structure**.

Providing complete and accurate information will help avoid delays in processing your application.

Form IV: Management Company

Hotel Management Company Name

The hotel(s) will be managed by

[ ] Applicant's Management Company [ ] Third Party Management Company

[ ] Third Party Management Company with Equity

Applicable Hotels - FDD Example - "Hotel Brand"

Management Company Name

State / Province of Formation

Address

Contact Name

Phone Number

Tax ID Number

Email Address

Authorized Signer for Entity: - FDD Example – “Hotel Brand”

Authorized Signer for Entity

Common Ownership

If there is common ownership between the proposed franchisee or its principals and the Management Company for a hotel, please describe the common ownership, including the level in the ownership structure at which there is common ownership, the percentage ownership interest in the Management Company and the proposed franchisee/principals that is commonly owned, and provide an ownership structure chart for the Management Company. If there is no common ownership, please indicate "N/A" in the space below.

Common Ownership

Please provide the following documentation for the Management Company, as applicable:

1. Articles or Certificate of Incorporation; or Articles of Organization or Certificate of Formation; or Certificate of Limited Partnership or Partnership Agreement; OR
2. Certificate of Good Standing.

Supporting Documentation

Form V: Experience

Hotel Experience

Ownership Interest

[ ] Yes [ ] No

Hotel Experience

Casinos

Casino Name and Location

Marriott Group Privacy Statement for the Collection of Non-Employee and Non-Guest Personal Data

Last Updated: February 28, 2023

1. Introduction

The Marriott Group, which includes Marriott International, Inc. and its affiliates ("Marriott," "we," "our"), is committed to protecting the Personal Data it collects, stores and uses. This Privacy Statement covers Personal Data of individuals other than Marriott Associates, such as contractors, consultants, Franchise Hotel employees, business partners, and non-guests ("you," "your"). For avoidance of doubt the Personal Data of Marriott Associates is covered by the **Associate Personal Data Privacy Statement**, and the Personal Data of guests is covered by the **Marriott Group Global Privacy Statement**, and not this Statement.

2. Purpose

The collection and use of your Personal Data enables Marriott to engage in business planning and operational processes, such as project implementation, providing training, and administering discount programs to others besides Marriott Associates and guests.

3. What Data Marriott Collects, Uses, Transfers and Shares, and Why

Marriott may have collected or will collect information about you and your relationship with Marriott. Marriott refers to such data as "Personal Data." For more specific information regarding the Personal Data about you that Marriott may collect, use, transfer, and share, and the purposes for which it may be collected, used, transferred, and shared, please see the end of this Statement. Marriott will not use Personal Data for any purpose incompatible with the purposes described in this Statement, unless it is required or authorized by law, authorized by you, or is in your own vital interest (e.g., in the case of a medical emergency).

With the exception of certain Personal Data that is required by law, or is necessary or important to the performance of our business, your decision to provide Personal Data to Marriott is voluntary. However, if you do not provide certain required Personal Data, Marriott may not be able to accomplish some of the purposes outlined in this Statement.

4. Who Has Access to Your Personal Data

Access to Personal Data within Marriott will be limited to personnel with a business need to access Personal Data for the purposes described at the end of this Statement, and may include Marriott personnel in Human Resources, Lodging Development, Information Technology, Compliance, Legal, Finance and Accounting, and Internal Audit. Occasionally, Marriott may also need to make Personal Data available to owners of the Marriott Group-branded properties that we manage, or other, unaffiliated, third party service providers.

Third party service providers and owners are expected to protect the confidentiality and security of Personal Data, and only use Personal Data for the provision of services to Marriott, or in accordance with agreements, and in compliance with applicable law.

5. Security

Marriott will take appropriate measures to protect Personal Data, consistent with applicable privacy and data security laws and regulations, including requiring service providers to use appropriate measures to protect the confidentiality and security of Personal Data.

6. Data Integrity and Retention

We will retain your Personal Data for the period necessary to fulfill the purposes outlined in this Privacy Statement unless a longer retention period is required or permitted by law.

The criteria used to determine our retention periods include:

- The length of time we have an ongoing relationship with you
- Whether there is a legal obligation to which we are subject
- Whether retention is advisable considering our legal position (such as, for statutes of limitations, litigation or regulatory investigations)

7. Individual Rights Requests

Please contact privacy@marriott.com if you have any questions or concerns about how Marriott processes Personal Data; if you wish to request access, correction, suppression, or deletion of your Personal Data; if you wish to request that Marriott cease using your Personal Data; or if you would like to request an electronic copy of your Personal Data for purposes of transmitting it to another company. Marriott will respond consistent with applicable law. Please note, however, that certain Personal Data may be

exempt from these requests pursuant to applicable data protection laws or other laws and regulations.

8. Your Obligations

Please keep Personal Data current and inform us of any significant changes to Personal Data. You agree to inform others whose Personal Data you provide to Marriott about the content of this Statement, and to obtain their consent (provided they are legally competent to give consent) for the use (including transfer and disclosure) of that Personal Data by Marriott as set out in this Statement, or as required by applicable law.

9. Reasons and Basis for Collection, Use, Transfer and Disclosure

Marriott collects and processes data about you: (i) because we are required to do so by applicable law; (ii) because such data is of particular importance to us and we have a specific legitimate interest under law to process it; (iii) because such data is necessary to fulfill a contract; or (iv) where necessary to protect the vital interests of any person. Marriott's legitimate interest in collecting and processing Personal Data is detailed at the end of this notice and includes, for example:(1) to administer and generally conduct business within Marriott; (2) to ensure that our networks and data are secure; and (3) to prevent fraud. Where this reason does not apply, your decision to provide Personal Data to Marriott is voluntary, and we will process such data with your consent, which you may withdraw at any time.

10. Transfers and Use of Personal Data in the European Economic Area (EEA)

Due to the global nature of Marriott operations, Marriott may, through the internet and Marriott's networks, share Personal Data with personnel and departments throughout Marriott to fulfill the purposes described at the end of this Statement. This may include transferring Personal Data to other countries or regions (including countries or regions other than where you are based and that have a different data protection regime than is found in the country where you are based). A list of the Marriott Group affiliated companies that may process and use Personal Data is available **here**.

We may transfer Personal Data to countries located outside of the European Economic Area ("EEA"). Some of these countries are recognized by the European Commission as providing an adequate level of protection according to EEA standards (the full list of these countries is available **here**↗). For transfers from the EEA to other countries, we have put in place adequate measures, Data Transfer Agreements and/or Standard Contractual Clauses to protect your data.

11. Data Protection Officer Contact Information and

Complaints

If you have any questions or concerns, please initiate your request with your corporate representative. We will investigate and attempt to resolve complaints and disputes regarding use and disclosure of Personal Data.

If you are not satisfied, you may contact the data protection officer responsible for your country or region via MarriottDPO@marriott.com. In your email, please indicate the country in which you are located. Additionally, you may lodge a complaint with a data protection authority for your country or region or where an alleged infringement of applicable data protection laws has occurred at http://ec.europa.eu/newsroom/article29/item-detail.cfm?item_id=612080↗.

12. Changes to the Statement

Marriott reserves the right to amend this Statement at any time in order to address future business developments or changes in the industry or legal trends. Marriott will post the revised Statement on Marriott Global Source (MGS) or announce the change on the home page of this website. You can determine when the Statement was revised by referring to the "Last Updated" legend at the top of this Statement.

Types of Personal Data Marriott May Collect, Use, Transfer and Share

- **Personal Details:** Name, associate identification number, work and home or residential contact details (email, phone numbers, postal address) language(s) spoken, gender, date and place of birth, national identification number, social security number, nationality, marital/civil partnership status, domestic partners, dependents, disability status, emergency contact information and photograph.

- **Position:** Internal descriptor used to support course offerings.

- **System and Application Access Data:** Data required to access Marriott systems and applications such as System ID, LAN ID, mHUB, email account, instant messaging account, mainframe ID, and electronic content produced using Marriott systems.

- **Sensitive Personal Data:** Marriott may also collect certain types of sensitive data only when permitted by local law, such as biometric,

health/medical data, trade union membership information, religion and race or ethnicity. Marriott collects this data for specific purposes, such as health/medical information to accommodate a disability or illness and to provide benefits; religion or church affiliation in countries such as Germany where required for statutory tax deductions; and diversity-related Personal Data (such as gender, race or ethnicity) to comply with legal obligations and internal policies relating to diversity and anti discrimination. Marriott will only use such sensitive data for the purposes listed below and as provided by law.

The Purposes for which Marriott May Collect, Use, Transfer and Share Personal Data

- **Communications and Security:** Facilitating communications and safeguarding and maintaining IT infrastructure by using various security tools, office equipment, facilities and other property.

- **Business Operations:** Operating and managing the IT, communications systems, and facilities, managing product and service development, improving products and services, managing Marriott assets, project management, business continuity, offering services and benefits, and maintaining records relating to business activities.

- **Compliance:** Complying with legal and other requirements applicable to Marriott's business in all countries or regions in which Marriott operates, record-keeping and reporting obligations, conducting audits, compliance with government inspections and other requests from government or other public authorities, responding to legal process such as subpoenas, pursuing legal rights and remedies, defending litigation and managing any internal complaints or claims (including those received through the hotlines), conducting investigations including reported allegations of wrongdoing, policy violations, fraud, financial reporting concerns, and complying with internal policies and procedures.

- **Monitoring:** Monitoring of email and other Marriott-owned resources, and other monitoring activities as permitted by local law. Please note that electronic communications, such as emails from Marriott-provided electronic communication services and the Marriott network, do not grant personal, privileged, or confidential status or rights in such communications to the sender, recipient, or user of such messages.

There is no right to privacy or to assert any privileges with respect to such electronic communications. Marriott reserves the right to access, monitor, review, copy, and/or delete any such electronic communications. Marriott also reserves the right to assert privileged or confidential status or rights in such communications as permitted by law.

The Categories of Unaffiliated Third Parties with whom Marriott May Share Personal Data

- **Service Providers:** Companies that provide products and services to Marriott such as, human resources services, expense management, IT systems suppliers and support, trade bodies and associations, accountants, auditors, lawyers, insurers, bankers, and other outside professional advisors and service providers.

- **Public and Governmental Authorities:** Entities that regulate or have jurisdiction over Marriott such as regulatory authorities, law enforcement, public bodies, and judicial bodies.

Related Links

Terms of Use →
SMS Messaging Terms of Use →
Digital Entry Terms of Use →

English

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EXHIBIT C

FRANCHISE AGREEMENT AND RELATED AGREEMENTS

DRAFT

THE LUXURY COLLECTION®

THE LUXURY COLLECTION FRANCHISE AGREEMENT

FRANCHISOR: ***FRANCHISOR_LICENSOR***

FRANCHISEE: ***FRANCHISE_NAME***

LOCATION: ***ADDRESS***, ***CITY***, ***STATE***
ZIP

DATE:

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FRANCHISE AGREEMENT

This Agreement between Franchisor and Franchisee is executed and becomes effective on the Effective Date.

RECITALS

A. Franchisor owns the System and Franchisee has requested a license to use the System to operate the Hotel as a System Hotel at the Approved Location.

B. Franchisor has agreed to grant a license to Franchisee subject to the terms of this Agreement.

C. Guarantor will provide the Guaranty.

NOW, THEREFORE, in consideration of the promises in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Franchisor and Franchisee agree as follows:

1. LICENSE

1.1 Limited Grant. Franchisor grants to Franchisee a limited, non-exclusive license to use the Proprietary Marks and the System to operate the Hotel as a System Hotel at the Approved Location under the terms of this Agreement.

1.2 Franchisor's Reserved Rights.

A. *Development Activities.* Franchisee agrees that Franchisor and its Affiliates reserve the right to conduct Development Activities at any location, other than the Approved Location, without notice to Franchisee, subject to Item 9 of Exhibit A. Franchisee will not do anything that may interfere with Franchisor's and its Affiliates' Development Activities.

B. *Territorial Rights.* Franchisee agrees that it is not entitled to any territorial rights or exclusivity, except as stated in Item 9 of Exhibit A.

C. *Use of the System.* Franchisee acknowledges that Franchisor and its Affiliates may allow other Franchisor Products to use various parts of the System, including under affiliation or marketing agreements.

2. TERM

2.1 Term. The term of this Agreement is stated in Item 4 of Exhibit A (the "Term").

2.2 Not Renewable. This Agreement expires on the last day of the Term, and the rights granted under it are not renewable and Franchisee has no expectation of any right to extend the Term.

3. FEES, CHARGES AND COSTS

3.1 Application Fee; Expansion Fee. Franchisee has paid Franchisor the non-refundable application fee stated in Item 10 of Exhibit A (the "Application Fee"). If Franchisor approves an increase in the number of Guestrooms in the Hotel under Section 4.1, Franchisee will pay the then-current per-Guestroom expansion fee, multiplied by the number of additional Guestrooms.

3.2 Franchise Fees. Beginning on the Opening Date, Franchisee will pay Franchisor for each month an amount equal to the percentage of Gross Room Sales stated in Item 11 of Exhibit A for such month (the "Franchise Fees"). Franchisee will not offer complimentary or reduced-price Guestrooms to benefit any other business at or outside of the Hotel.

3.3 Franchisor Travel Costs. If Franchisor requests, Franchisee will reimburse Franchisor for all Travel Costs for individuals designated by Franchisor to conduct training, inspections, audits, or other services for the Hotel, including counseling and advisory services, which will not exceed the amounts permissible under Franchisor's corporate travel policies.

3.4 Other Fees, Charges and Costs. Franchisee will pay the fees, charges and costs required under this Agreement and any other Marriott Agreement, and will pay for any optional programs in which it participates. Franchisee will also pay Franchisor for any goods or services purchased, leased or licensed by Franchisee from Franchisor, including any costs related to purchasing, installing and upgrading any Electronic Systems. The Franchise Fees and Application Fee are personal to Franchisee and are as stated in this Agreement; all other fees, charges and costs under this Agreement and any other Marriott Agreement (and any applicable changes) will be computed on a fair and consistent basis among similarly situated System Hotels. Franchisor may change such other fees, charges and costs to reflect any change in (i) the costs of providing, or the scope of, the relevant goods, programs or services; (ii) the method Franchisor uses to determine allocation of the applicable charges; or (iii) the competitive needs of the System.

3.5 Timing of Payments and Performance of Services.

A. *Timing of Payments.* Franchise Fees are due within 15 days after the end of each month. All other payments are due as invoiced. All payments will be made in immediately available funds, at the location and in the manner designated by Franchisor (which may include payment through electronic funds transfers or centralized payment processing programs as specified by Franchisor, in which case Franchisee will execute any documents, pay any fees and costs, and take any other action required by Franchisor to effect such payment).

B. *Affiliates and Designees.* Any service or obligation of Franchisor under this Agreement may be performed by an Affiliate or designee of Franchisor. Franchisor may designate that payment be made to the Person performing the service. Any reference in this Agreement to Franchisor concerning payments or performance of services includes such Affiliates and designees. Any designation for the performance of services will not relieve Franchisor or Franchisee of any of their obligations under this Agreement.

C. *Right of Set-Off.* Franchisor may set-off or deduct any amounts owed to Franchisor or any of its Affiliates by Franchisee or any of its Affiliates from amounts that would otherwise be payable to Franchisee under this Agreement.

3.6 Interest on Late Payments. Franchisee will pay interest on any amount that is not paid when due. Interest will accrue at a rate of 18% per annum (or, if less, the maximum interest rate permitted by Applicable Law) from the date such overdue amount was due until paid. Franchisor's right to receive interest is in addition to any other remedies Franchisor may have.

3.7 Program Services Contribution.

A. *Program Services.* Beginning on the Opening Date, Franchisee will pay Franchisor each month the Program Services Contribution. Franchisor will use the Program Services

Contribution to fund certain mandatory programs and services for System Hotels that Franchisee would otherwise be required to pay for separately ("Program Services"), which include, to the extent described in the Disclosure Document:

1. Marketing Fund Activities;

2. development, modification, maintenance, support, administration and operation of certain mandatory Electronic Systems;

3. development, operation, administration and oversight of certain other mandatory programs and services; and

4. the retention or employment of personnel, consultants and other professionals to assist in the development, implementation and administration of Program Services, including collection and accounting of the Program Services Fund, as well as overhead, other costs incurred in providing Program Services, and the reimbursement of capital invested in the development of such Program Services, together with costs incurred by Franchisor to finance such capital.

Franchisor may modify Program Services from time to time. Unless otherwise determined by Franchisor, Program Services do not include services or costs relating to the purchase, installation or deployment of, or training for, any Electronic System.

B. *Marketing Fund Contribution.* Beginning on the Opening Date, Franchisee will pay Franchisor for each month an amount equal to the percentage of Gross Room Sales stated in Item 12 of Exhibit A for such month, which Franchisor will use for the Marketing Fund Activities (the "Marketing Fund Contribution"). The Marketing Fund Contribution will be paid by Franchisee as part of the Program Services Contribution. Franchisor may (i) change the method of funding the Marketing Fund Activities (including by establishing methods of funding Marketing Fund Activities other than by the Marketing Fund Contribution or the Program Services Contribution); (ii) change the amount of the Marketing Fund Contribution (without any obligation to make a corresponding change to the total Program Services Contribution); (iii) change the local, country, regional, continental or international scope of the Marketing Fund or the Marketing Fund Activities; (iv) merge or separate the Marketing Fund with marketing funds used to benefit other Franchisor Products; or (v) discontinue any Marketing Fund Activities, and Franchisee will be bound by any and all such changes.

C. *Permitted Changes.* Franchisor may at any time: (i) change the method of funding Program Services (including by establishing methods of funding Program Services other than by the Program Services Contribution); (ii) change the programs and services covered by the Program Services Contribution; (iii) change the amount of the Program Services Contribution or the method of calculation of the Program Services Contribution; (iv) merge or operate the Program Services Fund together with program services funds used to benefit other Franchisor Products; or (v) discontinue the use of the Program Services Contribution to fund any one or all mandatory programs or services for System Hotels, and Franchisee will be bound by any such changes.

D. *Benefits.* Franchisor may use the Program Services Fund to cover the costs of Program Services for System Hotels as a whole, groups of System Hotels, and other Franchisor Products. Franchisor has no obligation to ensure that any particular System Hotel, including the Hotel, benefits from Program Services on a pro-rata or other basis or that the Hotel will benefit from Program Services proportionate to the Program Services Contribution paid by Franchisee.

E. *No Fiduciary Duty.* Franchisor and its Affiliates do not hold the Program Services Fund or the Marketing Fund as a trustee or as trust funds and have no fiduciary duty to Franchisee for such funds. The Program Services Contribution and Marketing Fund Contribution may be commingled with other money of Franchisor and its Affiliates and used to pay all costs, including administrative costs, salaries and overhead, and collection and accounting costs, incurred by Franchisor or any of its Affiliates for the Program Services Fund or Marketing Fund, respectively. Franchisor or its Affiliates may: (i) loan money for Program Services and Marketing Fund Activities and charge interest on any such loan; and (ii) use the Program Services Contribution or the Marketing Fund Contribution to repay any such loan plus interest. On request, Franchisor will provide to Franchisee a statement of operations presenting the revenues and expenses of the Program Services Fund and the Marketing Fund (which statement may be audited or unaudited in Franchisor's sole discretion) for any fiscal year of Franchisor if such request is made between 90 and 180 days after the end of such fiscal year.

4. HOTEL CONSTRUCTION, DESIGN, RENOVATION AND MAINTENANCE

4.1 Number of Guestrooms; Expansion. The Hotel will have the number of Guestrooms stated in Item 7 of Exhibit A or such other number approved by Franchisor. Franchisee may expand the Hotel or build additional Guestrooms in compliance with this Agreement only with Franchisor's prior written approval. If additional Guestrooms are approved, Franchisee will pay an expansion fee under Section 3.1.

4.2 Initial Construction or Renovation of the Hotel. Franchisee will timely start and complete the initial construction or renovation of the Hotel, as applicable, to Franchisor's satisfaction in accordance with Section 4.4, Exhibit C and the Standards (the "Initial Work").

4.3 Periodic Renovations.

A. *Replacement of FF&E*. Franchisee will timely start and complete the periodic renovation of all Guestrooms and Public Facilities to Franchisor's satisfaction in accordance with Section 4.4 and the Standards, including replacing Soft Goods and Case Goods periodically as required by the Standards ("Periodic Renovations"). At the time of any replacement of FF&E, Franchisor may require Franchisee to upgrade the rest of the Hotel to conform to the Standards applicable to similarly situated System Hotels.

B. *Reserve Account.* Franchisee will fund the cost of all renovations at the Hotel. Franchisee will establish a reserve account at a financial institution (the "Reserve") so that funds are available to complete the Periodic Renovations.

1. The Reserve will be used only for renovations of Guestrooms and Public Facilities including replacement of Soft Goods and Case Goods. The Reserve will not be used for repairs or replacements to the structure of the Hotel building or to its mechanical, electrical, heating, ventilating, air conditioning, plumbing or vertical transportation systems, which structure and systems will be maintained in good condition with other funds.

2. Each month, Franchisee will transfer into the Reserve an amount equal to the percentage of Gross Revenues stated in Item 18 of Exhibit A applicable to such month. Such transfer will be made within 15 days after the end of each month.

3. At the end of each year, any amounts remaining in the Reserve will remain in the Reserve, and will not decrease the amount required to be deposited in the Reserve.

4. Amounts required under Section 4.3.B.2 may be insufficient to maintain the Hotel in accordance with the Standards, and if so, Franchisee will provide additional funds to maintain the Hotel to the Standards.

4.4 Design Process. Franchisee will obtain the Design Standards from Franchisor within 10 days of the Effective Date for the Initial Work, and in a timely manner for any Periodic Renovation. In connection with the Initial Work and any Periodic Renovation, Franchisee will pay to Franchisor its then-current fees and comply with the following requirements (the "Design Process"):

A. *Design Team.* For the Initial Work, and as needed for Periodic Renovations, Franchisee will retain a qualified registered architect, engineer and interior designer, and based on the nature of the project, Franchisor may require that Franchisee retain other specialty consultants. Franchisee will provide Franchisor the name, address and relevant work experience on similar projects for any such Person that Franchisee proposes to retain, and Franchisor will have 30 days after receipt of such information to notify Franchisee of its election to consent or withhold its consent. Franchisor's election to consent or withhold its consent will be based on prior experiences with such Person and such Person's reputation and experience on similar projects. Franchisor may charge its then-current fee for reviewing any interior designer that is not included on Franchisor's list of recommended interior designers for the Hotel, if any. If Franchisor does not respond to Franchisee within 30 days after Franchisor's receipt of such information, then Franchisee may retain such Person. Neither Franchisor's failure to respond nor Franchisor's consent to the use of such Person will be deemed an endorsement or recommendation by Franchisor. Franchisor is not liable for the unsatisfactory performance of any Person retained by Franchisee.

B. *Submission of Plans.* For the Initial Work and Periodic Renovations, Franchisee will adapt the Design Standards to the Hotel and Applicable Law, including Accessibility Requirements. For the Initial Work, and if Franchisor requests for any Periodic Renovations, Franchisee will prepare and submit Plans electronically in the phases and with the detail required by the Standards. The Plans will not deviate from the Design Standards unless previously approved by Franchisor, and any such deviations will be clearly designated in a separate document delivered along with the Plans.

C. *Review of Plans.* Franchisor will promptly review the Plans only for compliance with the Design Standards and any applicable property improvement plan, and in the case of the Initial Work, to confirm that the number, configuration and location of Guestrooms and the size, configuration and location of Public Facilities are as previously approved by Franchisor. If Franchisor determines that the Plans do not satisfy such requirements, Franchisor may require changes and Franchisee will deliver revised Plans incorporating such changes. If Franchisor determines that the Plans are incomplete, Franchisor may defer its review of the Plans until it receives complete Plans. Franchisee will not begin the Initial Work or any Periodic Renovation requiring submission of Plans until Franchisor confirms in writing that such Plans comply with such requirements. On receipt of Franchisor's confirmation, Franchisee will promptly submit the final Plans electronically. Once finalized, the Plans will not be changed without Franchisor's prior consent. Franchisee will ensure that the renovation of the Hotel is completed in accordance with the Plans.

D. *Compliance with Applicable Law.* Franchisee (and not Franchisor or its Affiliates) is responsible for ensuring that the Plans comply with Applicable Law, including Accessibility Requirements. Franchisor and its Affiliates will have no liability or obligation concerning the means, methods or techniques used in constructing or renovating the Hotel. Franchisee will not reproduce, use or permit the use of the Design Standards or Plans other than for the Hotel.

4.5 Design and Independent Brand.

A. *Franchisee Responsible for Design and Independent Brand*. Franchisor does not specify the Design or the Independent Brand of System Hotels in the Standards. Franchisee is responsible for creating and maintaining an identifiable Design and Independent Brand for the Hotel.

B. *Approval of Design and Independent Brand*. Franchisor may require Franchisee to retain a Franchisor-approved branding consultant and interior design firm, develop a communications and marketing plan, implement a service experience program, and create spaces and experiences to reinforce the Design and Independent Brand for the Hotel, all of which must be acceptable to Franchisor. Franchisee will retain any required branding consultant and interior design firm until the satisfactory implementation of the Design and Independent Brand as determined by Franchisor. Franchisee must obtain Franchisor's approval for any future material change to the Design and the Independent Brand, which will not be unreasonably withheld. Nothing in this Section 4.5.B. affects Franchisee's obligation to comply with the Quality Assurance Program, the Standards, including the Design Standards, or to maintain the Hotel in good repair and first-class condition. Nothing in this Section 4.5.B limits Franchisor's right to impose Standards, including Design Standards, for the quality or condition of the Hotel.

4.6 Maintenance. Franchisee will maintain the Hotel in good repair and first-class condition and in conformity with Applicable Law, the Standards and Exhibit C. Franchisee will make repairs, alterations and replacements to the Hotel as required by the Standards. Franchisee will not make any material alterations to the Hotel without Franchisor's prior consent, unless such alterations are required by Applicable Law or for the continued safe and orderly operation of the Hotel.

5. FURNITURE, FIXTURES, EQUIPMENT, INVENTORIES AND SUPPLIERS

Franchisee will use only high quality signs, FF&E, Inventories and Fixed Asset Supplies that are consistent with the Design of the Hotel as approved under Section 4.5. Franchisor may designate in the Design Standards requirements for such signs, FF&E, Inventories and Fixed Asset Supplies. The requirements of this Section 5 are to ensure that items used at System Hotels are of high quality to maintain the integrity and reputation of the System. Before purchasing FF&E to be used in constructing or renovating the Hotel, if requested by Franchisor, Franchisee will prepare furnished models of Guestrooms, color boards and drawings for Franchisor's confirmation that such proposed FF&E will meet the Design Standards. Franchisor will promptly respond to Franchisee's proposal. Franchisee will purchase the plaques required for all System Hotels from a designated supplier.

6. ADVERTISING AND MARKETING; PRICINGS, RATES AND RESERVATIONS

6.1 Franchisee's Local Advertising and Marketing Programs.

A. *Local Advertising.* Franchisee will undertake local advertising, marketing, promotional, sales and public relations programs and activities for the Hotel, including preparing and using any Marketing Materials, in accordance with the Standards.

B. *Use of Signs and Marketing Materials.* Franchisee will use signs and other Marketing Materials only in the places and manner approved or required by Franchisor and in accordance with the Standards and Applicable Law. Franchisee will deliver samples of Marketing Materials not provided by Franchisor and obtain prior approval from Franchisor before any use. If Franchisor withdraws its approval, Franchisee will promptly stop using such Marketing Materials. Any Marketing Materials developed by Franchisee may be used or modified by other Franchisor Products without compensation to Franchisee.

6.2 Additional Marketing Programs. Franchisor may provide, and Franchisee will participate in, Additional Marketing Programs that are mandatory for similarly situated System Hotels. Franchisee may elect to participate in optional Additional Marketing Programs. Franchisee will pay for Additional Marketing Programs in which it participates on the same basis as other participating System Hotels.

6.3 Pricing, Rates and Reservations.

A. *Pricing and Rates.* Franchisee is responsible for setting its own prices and rates for Guestrooms and other products and services at the Hotel, including determining any prices or rates that appear in the Reservation System. Franchisor may, however: (i) prohibit certain types of charges or billing practices that Franchisor determines are misleading or detrimental to the System, including price-gouging or incremental fees for services that guests would normally expect to be included in the Guestroom charge; (ii) require that Franchisee price consistently in all distribution channels; or (iii) impose other pricing requirements permitted or required by Applicable Law.

B. *Pricing Recommendations; Participation in Programs.* Franchisor may recommend prices or rates for the products and services offered by Franchisee or require participation in various sales or inventory management programs or promotions offered by Franchisor. Franchisor's recommendations are not mandatory; Franchisee is ultimately responsible for determining the prices or rates at which it offers its products and services, and Franchisor's recommendations are not a representation or warranty by Franchisor that the use of such recommended prices or rates will produce, increase, or optimize Franchisee's profits. Franchisor will have no liability for any such recommendations, including those made in connection with any sales activity or Inventory Management. Franchisor may require Franchisee to participate in Inventory Management or may act as Sales Agent for Franchisee. If Franchisor is acting as Sales Agent for Franchisee, Franchisee consigns hotel inventory to Franchisor, and Franchisee retains all risk of loss of unsold inventory or inventory sold at a reduced price.

C. *Honoring Reservations.* Franchisee will provide its prices and rates for use in the Reservation System in accordance with the Standards. Franchisee will: (i) honor any prices, rates or discounts that appear in the Reservation System or elsewhere; (ii) honor all reservations made through the Reservation System or that are confirmed; and (iii) not charge any Hotel guest a rate higher than the rate specified for the Hotel guest's reservation in the Reservation System or, if not made through the Reservation System, in the reservation confirmation or contract. Franchisee will also honor all pricing and terms for any other product or service offered in connection with the Hotel.

7. ELECTRONIC SYSTEMS

7.1 Systems Installation and Use. At its cost, Franchisee will (i) obtain, install, maintain, use and replace at the Hotel all mandatory Electronic Systems (and optional Electronic Systems that Franchisee elects to use) in compliance with the Standards or other approved specifications, and (ii) take any other actions required by the Standards to protect the Electronic Systems and the data stored or communicated via the Electronic Systems. Franchisee will pay all Electronic Systems Fees, some of which will be paid as part of the Program Services Contribution. Franchisee will comply with any end-user terms related to any of the Electronic Systems. Franchisee will not use the Electronic Systems for any purpose except for operating the Hotel under this Agreement.

7.2 Reservation System. Subject to Section 19.3, Franchisor will make the Reservation System available to the Hotel. Franchisee will cause the Hotel to participate in the Reservation System in accordance with the Standards and this Agreement. Franchisor is not required to make the Reservation

System available to the Hotel for any reservations occurring after the expiration or termination of this Agreement.

7.3 Electronic Systems.

A. *Ownership.* Franchisee acknowledges that the Electronic Systems may be proprietary to Franchisor or third-party vendors. The Electronic Systems that are proprietary to Franchisor or third-party vendors, as applicable, will remain their sole property, and Franchisee will not contest such ownership. Franchisee acknowledges that the Electronic Systems may be modified, enhanced, replaced, discontinued or become obsolete, and new Electronic Systems may be created to meet the needs of the System and changes in technology. Any license or access to any Electronic System provided pursuant to this Agreement will terminate upon the earlier of (i) termination of this Agreement or (ii) when such Electronic System is no longer used as part of the System. Franchisor reserves the right to suspend Franchisee's access to any Electronic System for noncompliance with any end-user terms, or in order to protect the Intellectual Property or the intellectual property of third-party vendors. Franchisee waives all claims against Franchisor and its Affiliates arising from any such suspension.

B. *Support Services.* Franchisor will use commercially reasonable efforts to maintain and support the Electronic Systems (the "Support Services") during the term of this Agreement. The Support Services may be provided by Franchisor, its Affiliates or third-party vendors.

C. *Confidentiality Obligations.* Subject to the requirements of Section 12 of this Agreement, Franchisee will ensure that only authorized Persons have access to the Electronic Systems and that the Electronic Systems are only used for their intended purpose. Franchisee will not, without the consent of Franchisor and any applicable third-party vendor, copy, reverse engineer, modify or provide unauthorized access to the Electronic Systems or any of its components. Franchisee will not attempt to disregard or circumvent any measures used by Franchisor to safeguard the Electronic Systems and the Intellectual Property.

7.4 Access to Information. Franchisor may access the information contained in the Electronic Systems and Franchisee will take all actions reasonably necessary to provide such access. Franchisor and its Affiliates may use any information contained in or obtained through the Electronic Systems, including Guest Personal Data.

7.5 Third-Party Vendors. Any third-party vendor of Electronic Systems will have the right to enforce any end-user terms directly against Franchisee. Franchisor will have no liability for Franchisee's use of any Electronic System provided by a third-party vendor. Franchisee may be required to execute agreements with third-party vendors and comply with any privacy and security or other standards in order to obtain access to certain Electronic Systems. Franchisor may designate a third-party vendor of the Electronic Systems as a preferred vendor and require Franchisee to use the Electronic Systems provided by the preferred vendor.

7.6 Software License Rights Upon Termination. The Software that Franchisee will purchase, access or obtain through Franchisor is generally not assignable to Franchisee upon termination of this Agreement ("Non-Assignable Software"). When this Agreement terminates, Franchisee will not have any right to use the Non-Assignable Software. At Franchisee's request, Franchisor will use reasonable efforts to facilitate the assignment of any Software that is assignable ("Assignable Software"). On termination of this Agreement, Franchisee will delete both Assignable Software and Non-Assignable Software obtained through Franchisor. Franchisee may reinstall Assignable Software using copies obtained by Franchisee directly from the applicable vendor.

7.7 Technology Audit or Inspection. At Franchisor's request, Franchisee will provide Franchisor and its authorized representatives access to any facility or system from which Franchisee, or any of its Affiliates or their respective agents, have installed or are accessing the Electronic Systems, and to any data, records, and the systems themselves (including removal of such systems and the data therein) relating to the Electronic Systems, for audit or inspection purposes. Franchisee will cooperate in and provide any assistance reasonably required for such audits or inspections.

7.8 Limitation on Liability. Franchisor is not liable for any loss or damage arising out of the use or failure of any Electronic Systems or Support Services, including corruption or loss of data, and Franchisee waives any right to, or claim of, any direct, exemplary, incidental, indirect, special, consequential or other similar damages (including loss of profits) in connection with the use, inability to use, breach or failure of any Electronic Systems or Support Services, even if Franchisor has been advised of the possibility of such damage, breach or failure. To the extent permissible, Franchisor will use reasonable efforts to make available for Franchisee any warranties or other similar protections provided by Franchisor's vendors with respect to the Electronic Systems.

7.9 NO WARRANTY. FRANCHISOR DOES NOT MAKE ANY REPRESENTATION OR WARRANTY ABOUT ANY ELECTRONIC SYSTEM. FRANCHISOR PROVIDES THE ELECTRONIC SYSTEMS AND THE SUPPORT SERVICES ON AN AS-IS BASIS. FRANCHISOR DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND CUSTOM OR USAGE IN THE TRADE, RELATED TO FRANCHISEE'S USE OF THE ELECTRONIC SYSTEMS AND THE SUPPORT SERVICES.

8. HOTEL OPERATIONS

8.1 Operator of the Hotel.

A. *Franchisor Consent Required.* The Hotel will be operated only by the Person consented to by Franchisor in a Management Company Acknowledgment. Franchisor may withhold its consent to any proposed management company that: (i) Franchisor determines (a) is not financially capable or (b) does not have the managerial skills or operational capacity required to operate the Hotel in accordance with the Standards and this Agreement; (ii) does not provide Franchisor with all information and access that Franchisor reasonably requests; or (iii) is not a Qualified Person. Franchisor has the right to review any management agreement between Franchisee and its proposed management company. In the event of any conflict between this Agreement and any agreement with the Management Company, this Agreement will control. Franchisee will at all times be responsible for complying with the obligations of this Agreement even though Franchisee may retain a Management Company.

B. *Conditions for Consent.* Franchisor may condition its consent to any proposed management company, including requiring participation in one or more programs. Franchisee will execute such documents as required by Franchisor to effectuate participation in such programs and pay the cost of any such programs. If any amendment to this Agreement is required in connection with a change in management company, Franchisee will pay Franchisor's outside counsel costs related to such amendment. Franchisor's consent may be withdrawn at any time if Franchisor determines that such Person no longer satisfies any conditions required by this Agreement, the Management Company Acknowledgment or the Standards.

C. *Change in Circumstances*. If there is a change of Control of the Management Company or if the Management Company is no longer a Qualified Person, or if Management Company becomes the principal operator for a Competitor or if there is a material adverse change to the financial

condition or operational capacity of the Management Company, Franchisee will promptly notify Franchisor of any such event of which it becomes aware together with such additional information that Franchisor may reasonably request. Based on these changed circumstances, Franchisor may require Franchisee to terminate its agreement with such Management Company and retain a replacement management company that will be subject to Franchisor's consent. After Franchisor receives such notice and any such additional information Franchisor reasonably requests, Franchisor will respond to Franchisee within 30 days.

8.2 Employees.

A. *Hotel Staffing.* Franchisee will ensure that suitable qualified individuals are employed at the Hotel sufficient to staff the Hotel. Managers at the Hotel will devote their full time to the management and operation of the Hotel and supervision of employees.

B. *Hotel Employment Matters.* All employment decisions at the Hotel will be made solely by Franchisee or the Management Company. Franchisor does not direct or control the employment policies or decisions for the Hotel. All employees at the Hotel are solely employees of Franchisee or the Management Company, not Franchisor, and neither Franchisee nor the Management Company is Franchisor's agent for any purpose with regard to Hotel employees. Franchisee or the Management Company will promptly inform Franchisor whenever it hires a general manager.

C. *Communication with Managers and Management Company.* Franchisor may communicate directly with the managers at the Hotel and the Management Company about day-to-day operations of the Hotel and Franchisor may rely on such statements of the managers and Management Company. Such communications will not affect the requirements of Section 25 or Section 27.7. Franchisor will under no circumstances direct or control such Hotel operations.

8.3 Compliance with the Standards.

A. *Required Activities*. Franchisee will: (i) operate the Hotel at all times in compliance with the Standards; (ii) fully participate in the Quality Assurance Program and all mandatory programs for System Hotels (which may require providing complimentary guestrooms and refunds); (iii) offer all guest services required for System Hotels (which may include complimentary services); (iv) make all payments due in accordance with the terms of all contracts and invoices related to the Hotel, except for payments that are disputed in good faith; and (v) provide all food and beverage service in the Hotel in compliance with the Standards and Applicable Law.

B. *Prohibited Activities.* Except as permitted in the Standards, Franchisee will not, without Franchisor's prior approval: (i) knowingly permit gambling to take place at the Hotel or use the Hotel for any casino, lottery, or other type of gaming activities, or directly or indirectly associate with any gaming activity; or (ii) knowingly permit adult entertainment activities at the Hotel. Franchisee will not take any action that may result in the establishment of a landlord/tenant relationship with any Hotel guest under Applicable Law or that may cause Franchisor or any of its Affiliates to become a real estate agent or broker under Applicable Law.

C. *Inspection Rights*. Franchisee will permit Franchisor's representatives to enter and inspect the Hotel at all reasonable times to confirm that Franchisee is complying with the terms of this Agreement and the Standards, and to test the equipment, food products and supplies at the Hotel. In conducting such inspections, Franchisor will not unduly interfere with the operation of the Hotel. Franchisee will pay all fees and costs related to such inspections to the extent not covered by the Program Services Contribution. Franchisee will pay all on site costs of third-party inspectors.

8.4 System Promotion; No Diversion to Other Businesses.

A. *System Promotion.* Franchisee will use reasonable efforts to encourage and promote the use of System Hotels and will refer reservation requests that cannot be fulfilled by the Hotel to other System Hotels or Franchisor Products in accordance with the Standards.

B. *No Diversion to Other Businesses.* Franchisee will not use (or permit any other Person to use) any part of the Hotel for any business or use other than operating a System Hotel without Franchisor's prior consent, except as expressly contemplated in Item 8 of Exhibit A. Franchisee will not use any part of the Hotel or the System to divert business to, or promote, any other business at or outside of the Hotel, except, if approved by Franchisor, Vacation Club Products operated under a trade name or trademark owned by Franchisor or any of its Affiliates. This prohibition includes advertising hotels, Vacation Club Products or any similar product sold on a periodic basis not operated under a trade name or trademark owned by Franchisor or any of its Affiliates (including those which Franchisee or its Affiliates operate or in which they have an Ownership Interest).

9. TRAINING, COUNSELING AND ADVISORY SERVICES

9.1 Training. The Hotel will at all times be managed by personnel who have successfully completed all mandatory training under the Standards. Franchisor may offer optional training related to operating System Hotels. Franchisee will pay (i) all tuition, supplies, and Travel Costs and allocations of internal costs and overhead of Franchisor and its Affiliates for any training in which Franchisee participates; (ii) an annual charge based on an allocation among System Hotels for the costs of developing and providing such training; and (iii) a charge for the general manager conference, regardless of whether Franchisee's personnel attend. Franchisee will provide training required by Franchisor for personnel working at the Hotel.

9.2 Counseling and Advisory Services. Franchisor will make representatives available at Franchisor's designated offices or at the Hotel to consult with Franchisee about the design and operation of the Hotel as a System Hotel. Franchisor may require Franchisee to pay the Travel Costs of such representatives who consult at the Hotel.

10. SYSTEM AND STANDARDS; FRANCHISEE ASSOCIATION

10.1 Compliance with System and Standards. Franchisee agrees that conformity with all aspects of the System and the Standards is essential to maintain the uniform quality and guest service of System Hotels. Franchisee will comply at all times with the Standards (including paying amounts owed pursuant to the Standards for violations thereof) and operate the Hotel in compliance with the System and the Marriott Agreements. Franchisor will make the Standards available to Franchisee through the Electronic Systems or in such other manner Franchisor deems appropriate. The Standards will at all times remain the sole property of Franchisor and its Affiliates.

10.2 Modification of the System and Standards. Franchisor and its Affiliates may modify the System and Standards, and such modifications may include materially changing, adding or deleting elements of the System or the Standards. Franchisee agrees that modifications to the System may be made for all System Hotels or for any Category of System Hotels. Franchisor may allocate the costs of System modifications among System Hotels or any Category of System Hotels, and such allocation will be on a fair and consistent basis. Such costs may include development costs and the reimbursement of capital invested in the development of such System modifications, together with costs incurred by Franchisor to finance such capital. Any modifications to the System and Standards will take into consideration the independent nature of System Hotels and their Designs and Independent Brands. Franchisor will not

require Franchisee to change materially the Design or Independent Brand as part of any modification of the System or Standards.

10.3 Franchisee Association. Subject to compliance with certain membership requirements, Franchisee, Franchisor and other System Hotel franchisees and licensees are eligible to participate in an association organized to consider and make recommendations on matters related to the operation of System Hotels (the "Association"). Franchisee will pay any Association dues and assessments, which will be consistently applied to all System Hotel franchisees. The Association will vote on bylaws and election of officers. Franchisor will regard recommendations of the Association as expressing the consensus of members of the Association.

11. PROPRIETARY MARKS AND INTELLECTUAL PROPERTY

11.1 Franchisor's Representations Concerning the Licensed Marks.

A. *Representations.* Franchisor represents that:

1. Franchisor and its Affiliates have the right to grant Franchisee the right to use the Licensed Marks in accordance with this Agreement; and

2. Franchisor and its Affiliates will take reasonable steps to preserve and protect the ownership and validity of the Licensed Marks. Franchisor will not be required to maintain any registration for any Licensed Marks that Franchisor determines, in its sole discretion, cannot or should not be maintained.

B. *Indemnification for Infringement Claims.* Franchisor will indemnify and hold Franchisee harmless against claims that Franchisee's use of the registered Licensed Marks in accordance with this Agreement infringes the rights of any third party unrelated to Franchisee, if Franchisee: (i) is in compliance with this Agreement, (ii) gives prompt notice of any such claim to Franchisor, (iii) does not interfere with Franchisor's right to have sole control over the defense and settlement of the claim and (iv) cooperates fully with Franchisor in defending or settling the claim. Franchisor and its Affiliates have the right in their sole discretion to have exclusive control over the defense and any settlement of all claims related to or involving the Proprietary Marks.

11.2 Franchisee's Use of Intellectual Property and the System.

A. *Use of the Intellectual Property and the System.* Franchisee agrees that:

1. Franchisee will use the Intellectual Property and the System only for the operation of the Hotel and only in the form and manner as provided in the Standards or approved by Franchisor. Franchisee will offer or sell only those goods and services under the Proprietary Marks that are of a nature and quality that comply with the Standards. Any use of the System not authorized by Franchisor will constitute an infringement of Franchisor's rights and a default under Section 19.2 of this Agreement;

2. Franchisee will use the Proprietary Marks only in substantially the same places, combination, arrangement and manner as provided in the Standards or approved by Franchisor, including with respect to the name of the Hotel, which will be as designated or approved by Franchisor (it being understood that Franchisor may change any geographic designation in the name of the Hotel at any time, so long as the Hotel name includes the Proprietary Marks);

3. Franchisee will identify itself as a franchisee or licensee of Franchisor and the owner or operator of the Hotel only in the form and manner as provided in the Standards. Franchisee will not use any Proprietary Marks in any manner that could imply that Franchisee has an Ownership Interest in the Proprietary Marks;

4. Franchisee has no right to, and will not, Transfer, sublicense or allow any Person to use any part of the System, unless permitted in this Agreement;

5. Franchisee will not use any part of the System to incur any obligation or indebtedness on behalf of Franchisor or any of its Affiliates;

6. Franchisee will not use any of the Proprietary Marks or any names or marks that consist of, contain or are similar to or an abbreviation of any Proprietary Marks, in Franchisor's sole opinion ("Similar Marks"), as part of Franchisee's corporate or legal name, in connection with any business activity except the Hotel, or as a road name or address, whether alone or in combination with Other Marks;

7. Franchisee will not register or apply to register any of the Proprietary Marks or Similar Marks, whether alone or in combination with other trademarks;

8. Franchisee will notify Franchisor of any required business, trade, fictitious, assumed or similar name registration, and indicate in the registration that Franchisee may use such name only in accordance with this Agreement;

9. if litigation involving the Intellectual Property is instituted or threatened against Franchisee, or a claim of infringement involving the Intellectual Property is made against Franchisee, or Franchisee becomes aware of any infringement of the Intellectual Property, Franchisee will promptly notify Franchisor and will cooperate fully in any action, defense or settlement of such matters. Franchisee will not make any demand, serve any notice, institute any legal action or negotiate, litigate, compromise or settle any controversy about any such matter without first obtaining Franchisor's prior consent, which may be withheld in Franchisor's sole discretion. Franchisor will have the right to bring any action and to join Franchisee as a party to any action involving the Intellectual Property;

10. if Franchisor believes, in its sole discretion, that Franchisee's use of the Intellectual Property does not conform with the Marriott Agreements or the Standards, then Franchisee will immediately stop the non-conforming use on notice from Franchisor; and

11. Franchisee will not, and will ensure that its employees and agents do not, take any action or engage in any conduct that is likely to adversely affect the reputation, goodwill, or business of the Hotel, the System, any Franchisor Product or Franchisor. Franchisee will not knowingly use or purchase counterfeit products and will comply with the Standards regarding protection of the reputation of the System, including protection of Intellectual Property, and promptly notify Franchisor of any event that has occurred that is likely to receive or is receiving significant negative public attention, and Franchisee will cooperate with Franchisor in the resolution of, and the public response to, any such matters.

B. *Ownership of the System.* Franchisee agrees that:

1. Franchisor and its Affiliates are the owners or licensees of all right, title and interest in and to the System (except certain Electronic Systems provided by third parties), and all goodwill arising from Franchisee's use of the System, including the Proprietary Marks, will inure solely

and exclusively to the benefit of Franchisor and its Affiliates. On the expiration or termination of this Agreement, no monetary amount will be attributable to any goodwill associated with Franchisee's use of the System;

2. the Proprietary Marks are valid and serve to identify the System and System Hotels, and any infringement of the Proprietary Marks will result in irreparable injury to Franchisor;

3. the Proprietary Marks may be deleted, replaced or modified by Franchisor or its Affiliates in their sole discretion, and Franchisor or its Affiliates may develop additional or substitute Proprietary Marks. Franchisor may require Franchisee, at Franchisee's expense, to discontinue or modify Franchisee's use of any of the Proprietary Marks or to use one or more additional or substitute marks;

4. Franchisee will not directly or indirectly: (i) attack the ownership, title or rights of Franchisor or its Affiliates in the System; (ii) contest the validity of the System or Franchisor's right to grant to Franchisee the right to use the System in accordance with this Agreement; (iii) take any action that could impair, jeopardize, violate or infringe any part of the System; (iv) claim any right, title, or interest in the System except rights granted under this Agreement; or (v) misuse or harm or bring into disrepute the System;

5. Franchisee has no, and will not obtain any, Ownership Interest in any part of the System (including any modifications made by or on behalf of Franchisee or its Affiliates). Franchisee assigns, and will cause each of its employees or independent contractors who contributed to System modifications to assign, to Franchisor, in perpetuity throughout the world, all rights, title and interest (including the entire copyright and all renewals, reversions and extensions of such copyright) in and to such System modifications. Except to the extent prohibited by Applicable Law, Franchisee waives, and will cause each of its employees or independent contractors who contributed to System modifications to waive, all "moral rights of authors" or any similar rights in such System modifications. For the purposes of this Section 11.2.B.5, "modifications" includes any derivatives and additions; and

6. Franchisee will execute, or cause to be executed, and deliver to Franchisor any documents, and take any actions required by Franchisor to protect the Proprietary Marks and the title in any System modifications.

11.3 Franchisee's Use of Other Marks. Except for the Franchisee Marks identified in Item 20 of Exhibit A, Franchisee will not use any Mark in connection with the Hotel or the System that is not a Proprietary Mark, including the names of restaurants or other outlets at the Hotel ("Other Marks") without Franchisor's prior approval. Franchisee will not use any Other Marks that may infringe or be confused with a third party's trade name, trademark or other rights in intellectual property. Franchisee consents to the use of the Other Marks by Franchisor and its Affiliates during the Term. Franchisee represents that there are no claims or proceedings that would materially affect Franchisor's use of the Other Marks.

11.4 Websites and Domain Names. Franchisee will not display any of the Proprietary Marks on, or associate the System with (through a link or otherwise), any website, electronic Marketing Materials, application or software for mobile devices or other technology or media, domain name, address, designation or listing on the internet or other communication system or medium without Franchisor's consent or as permitted in the Standards. Franchisee will not register or use any internet domain name, address, mobile application or other designation that contains any Proprietary Mark or any mark that is, in Franchisor's sole opinion, confusingly similar. At Franchisor's request, Franchisee will

promptly cancel or transfer to Franchisor any such domain name, address or other designation under Franchisee's control.

11.5 Use of Franchisee Marks; Name of Hotel.

A. *Representations.* Franchisee represents and warrants that:

1. Franchisee owns the registrations and applications to register the Franchisee Marks and, subject to Section 11.2.A.2 and Section 11.3, will use them for the name of the Hotel;

2. Franchisee has the right to consent to Franchisor's use of the Franchisee Marks, and Franchisee consents to the use of the Franchisee Marks by Franchisor and its Affiliates for the Hotel (including in printed marketing and promotional materials and on Franchisor's website) and agrees that such consent will remain in effect until 45 days after the earlier of (x) the termination of this Agreement or (y) the change of the Hotel name to omit the Franchisee Marks; and

3. to the best of its knowledge, there are no Claims pending or threatened by any Person that would materially affect Franchisor's use of the Franchisee Marks under this Agreement.

B. *No Other Use of Franchisee Marks.* Franchisee will not use the Franchisee Marks for any Other Lodging Product without Franchisor's consent. Franchisor consents to Franchisee's use of the Franchisee Marks with the Proprietary Marks for the Hotel in accordance with the Standards.

C. *Use of Franchisee Marks and Proprietary Marks.* Franchisee will use the Franchisee Marks and the Proprietary Marks for the Hotel only as authorized by Franchisor. Franchisee will conform all uses of the Franchisee Marks and the Proprietary Marks to the content, layout and graphic design of sample materials approved by Franchisor, and Franchisee will restrict such usage to activities, Marketing Materials and signage approved by Franchisor. If Franchisee desires to modify the Franchisee Marks, all such modifications must be approved in advance by Franchisor before any use of such modified Franchisee Marks, whether with the Proprietary Marks or not.

D. *No Filings or Registrations without Franchisor Approval.* Franchisee will not file or pursue any registration containing any of the Franchisee Marks together or combined with any of the Proprietary Marks unless it obtains Franchisor's prior written approval in its sole discretion. Franchisee will withdraw, cancel or assign to Franchisor any unauthorized registration upon Franchisor's request. Franchisee will withdraw, cancel or assign to Franchisor any authorized registration containing any of the Proprietary Marks on the earlier of the termination of this Agreement or the change of the Hotel name to omit the Franchisee Marks.

E. *No Rights in the Proprietary Marks.* Franchisee agrees that (a) it will not acquire any right, title or interest in the Proprietary Marks based on Franchisee's use of the Franchisee Marks and the Proprietary Marks, (b) all goodwill associated with the Proprietary Marks generated by their use with the Franchisee Marks will inure to Franchisor, and (c) Franchisee will not assert that the Proprietary Marks and the Franchisee Marks when used together comprise a composite mark.

F. *Third-Party Challenges.* Franchisee agrees that if use of the Franchisee Marks is challenged by a third party, Franchisor may require that the Hotel be renamed to a name that does not include the Franchisee Marks and, if the Hotel is renamed (i) Franchisee will cease using the Franchisee Marks in reference to the Hotel, (ii) Franchisee will use the new name of the Hotel as if it had been the

name of the Hotel since the Effective Date (including in any Marketing Materials, signage, and on Franchisor's website), and (iii) Franchisee will modify or destroy any items that refer to the Hotel other than by its new name.

G. *Proposed Marks.* For each Other Mark that Franchisee wishes to use for the Hotel as a Franchisee Mark, Franchisee will provide to Franchisor for its approval a proposal which will include a trademark availability opinion conducted by competent counsel showing that the Other Mark is available for use for the Hotel and may be registered as a trademark for hotel and restaurant services. If such Other Mark will be the name of the Hotel, Franchisee will retain the services of a Franchisor-approved branding consultant to develop such Other Mark. If Franchisor approves such Other Mark, Franchisee will (i) within 14 days of such approval, file an application for registration of such Other Mark and provide evidence of the application to Franchisor; (ii) diligently prosecute the application to registration; and (iii) if requested by Franchisor, execute an amendment to this Agreement that amends Item 20 of Exhibit A to include such Other Mark.

12. CONFIDENTIAL INFORMATION; DATA PROTECTION

12.1 Confidential Information.

A. *Confidentiality Obligations.* Franchisee will use Confidential Information only for the benefit of the Hotel and in conformity with this Agreement, the Standards and Applicable Law. Franchisee will protect Confidential Information and will immediately on becoming aware report to Franchisor any theft, loss or unauthorized disclosure of Confidential Information. Franchisee may disclose Confidential Information only to Franchisee's employees or agents who require it to operate the Hotel, and only after they are advised that such information is confidential and that they are bound by Franchisee's confidentiality obligations under this Agreement. Without Franchisor's prior consent, Franchisee will not copy, reproduce or make Confidential Information available to any Person not authorized to receive it. The Confidential Information is proprietary and a trade secret of Franchisor and its Affiliates. Franchisee agrees that the Confidential Information has commercial value and that Franchisor and its Affiliates have taken reasonable measures to maintain its confidentiality. Franchisee is liable for any breaches of such confidentiality obligations by its employees or agents.

B. *Confidentiality of Negotiated Terms.* Franchisee agrees it will not disclose to any Person the content of the negotiated terms of this Agreement or other Marriott Agreements without the prior consent of Franchisor except: (i) as required by Applicable Law; (ii) as may be necessary in any legal proceedings; and (iii) to those of Franchisee's managers, members, officers, directors, employees, attorneys, accountants, agents, lenders, prospective lenders, or any nationally-recognized debt ratings agency, in each case to the extent necessary for the operation or financing of the Hotel and only if Franchisee informs such Persons of the confidentiality of the negotiated terms. Franchisee will be in default under this Agreement for any disclosure of negotiated terms by any such Persons.

12.2 Data Protection. Franchisee and Franchisor are each independent controllers of Guest Personal Data and may share Guest Personal Data during the Term to the extent permitted by Applicable Law, this Agreement and the Standards. Franchisee will collect, use, handle, and share Guest Personal Data only for purposes of operating the Hotel and only in accordance with this Agreement, Applicable Law, and the Standards. Without limiting the foregoing, Franchisee will comply with all Standards relating to the use of Guest Personal Data for direct marketing to customers and will not sell any Guest Personal Data. Franchisee will ensure that (i) all Hotel personnel with access to Guest Personal Data complete any training required by the Standards, and (ii) Franchisee complies with the Standards relating to revoking or disabling any such Person's access to Guest Personal Data upon termination of employment or service. Franchisee will take such actions and sign such documents that are determined by

Franchisor to be necessary to enable Franchisor and Franchisee to comply with Applicable Law and any Standards applicable to Guest Personal Data related to the Hotel. Franchisee will promptly provide notice to Franchisor in accordance with the Standards if Franchisee: (i) discovers or reasonably suspects a Security Incident; or (ii) has been contacted by a data protection authority about the processing of Guest Personal Data (in which case Franchisor and any of its Affiliates may control any proceedings with such data protection authority and Franchisee will reasonably cooperate with Franchisor and its Affiliates). If any Person contacts Franchisee seeking to exercise any right under Applicable Law pertaining to Guest Personal Data, Franchisee will respond to such request in accordance with the Standards. Franchisee will cooperate with Franchisor as is reasonably necessary (a) to respond to data access requests related to Guest Personal Data and (b) in the resolution of Security Incidents at the Hotel.

13. ACCOUNTING AND REPORTS; TAXES

13.1 Accounting. Franchisee will account for Gross Room Sales and Gross Revenues on an accrual basis and in compliance with this Agreement.

13.2 Books, Records and Accounts. Franchisee will maintain and preserve complete and accurate books, records and accounts for the Hotel in accordance with the Uniform System and United States generally accepted accounting principles, consistently applied, Applicable Law and the Standards. Franchisee will preserve these books, records and accounts for at least 5 years from the dates of their preparation.

13.3 Statements and Reports.

A. *Monthly Statements*. At Franchisor's request, for each full or partial month after the Opening Date, Franchisee will prepare and deliver to Franchisor an operating statement containing the information required by Franchisor, including Gross Revenues and Gross Room Sales for such month.

B. *Quarterly Projections*. On or before the first day of each full calendar quarter after the Opening Date, Franchisee will provide to Franchisor a monthly estimate of Gross Revenues and Gross Room Sales for each of the next four calendar quarters in a format approved or required by Franchisor.

C. *Annual Statements*. For each full or partial calendar or fiscal year (whichever is used by Franchisee for income tax purposes), Franchisee will prepare and provide to Franchisor a complete statement of income and expense from the operation of the Hotel for the preceding year, including an accounting for the Reserve. This statement is due within 90 days after each year. This statement will be prepared in accordance with the Uniform System and the United States generally accepted accounting principles, consistently applied, Applicable Law, the Standards, and the Uniform System "Income Statement" with standard line items specified by Franchisor, and Franchisee will provide such supporting documentation and other information that Franchisor may require relating to this statement.

D. *Other Reports*. Franchisee will promptly deliver to Franchisor such other reports and financial information relating to Franchisee and the Hotel in accordance with the Standards or as Franchisor may otherwise request.

13.4 Franchisor Examination and Audit of Hotel Records.

A. *Examination and Audit.* Franchisor and its authorized representatives may, at any time, but on reasonable notice to Franchisee, examine and copy all books, records, accounts and tax

returns of Franchisee related to the operation of the Hotel during the five years preceding such examination. Franchisor may have an independent audit made of any such books, records, accounts and tax returns. Franchisee will provide any assistance reasonably requested for the audit and will provide copies of any documentation requested by Franchisor without charge.

B. *Underreporting.* If an examination or audit reveals that Franchisee has made underpayments to Franchisor, Franchisee will promptly pay Franchisor on demand the amount underpaid plus interest under Section 3.6. If an examination or audit finds that Franchisee has understated payments due Franchisor by 5% or more for the relevant period, or if the examination or audit reveals that the accounting procedures are insufficient to determine the accuracy of the calculation of payments due, Franchisee will reimburse Franchisor for all costs relating to the examination or audit (including reasonable accounting and legal fees). If the examination or audit establishes a pattern of underreporting, Franchisor may require that the annual financial reports due under Section 13.3.C. be audited by an independent accounting firm consented to by Franchisor. The rights of Franchisor in this Section 13.4 are in addition to any other remedies that Franchisor may have, including the right to terminate this Agreement.

C. *Overpayments.* If an examination or audit reveals that Franchisee has made overpayments to Franchisor, the amount of such overpayment, without interest, will be promptly credited against future payments due Franchisor.

13.5 Taxes.

A. *Payment of Taxes.* Franchisee will pay when due all Taxes relating to the Hotel, Franchisee, this Agreement, any other Marriott Agreement or in connection with operating the Hotel, except for Non-Covered Taxes.

B. *Withholding Taxes.*

1. The amounts payable to Franchisor will not be reduced by any deduction or withholding for any present or future Taxes unless Applicable Law imposes an obligation on Franchisee to deduct or withhold Taxes directly from any amount paid to Franchisor, in which case the provisions of Section 13.5.B.2 will apply.

2. If Applicable Law imposes an obligation on Franchisee to deduct or withhold Taxes directly from any amount paid to Franchisor, then Franchisee will deduct or withhold the required amount and will timely pay the full amount deducted or withheld to the relevant governmental authority in accordance with Applicable Law. The amount paid to Franchisor will be increased so that after the deduction or withholding has been made in accordance with Applicable Law, the net amount actually received by Franchisor will equal the full amount originally invoiced or otherwise payable. The foregoing obligation to increase the amount paid to Franchisor will not, however, apply in the case of a deduction or withholding in respect of a Non-Covered Tax. If required or permitted, Franchisee must promptly pay any such deduction or withholding directly to the relevant governmental authority and provide Franchisor proof of payment.

3. If Applicable Law does not impose an obligation on Franchisee to deduct or withhold any Covered Taxes directly from any amount paid to Franchisor, but requires Franchisor to pay such Covered Taxes, then Franchisee will pay Franchisor, within 15 days after request, the full amount of the Covered Taxes paid or payable by Franchisor with respect to such payment so that the net amount actually retained by Franchisor after payment of such Covered Taxes will equal the full amount originally invoiced or otherwise payable.

C. *Sales Tax & Similar Taxes.* The amounts payable to Franchisor will not be reduced by any sales, goods and services, value added or similar taxes, all of which will be paid by Franchisee. Therefore, in addition to making any payment to Franchisor required under this Agreement, Franchisee will: (i) pay Franchisor the amount which Franchisor is required by Applicable Law to remit to the applicable taxing or government authority in respect to the payment; or (ii) if required or permitted by Applicable Law, pay these taxes directly to the relevant taxing or government authority.

D. *Tax Disputes*. If there is a Dispute by Franchisee as to any Tax liability, Franchisee may contest the Tax liability in accordance with Applicable Law, but Franchisee will not permit a sale, seizure or attachment to occur against the Hotel. If such Dispute involves payments of Taxes that will be withheld, deducted and paid by Franchisee related to payments to Franchisor as provided in this Section 13.5, Franchisee will notify Franchisor before taking action with regard to the Dispute with the tax authority and, if requested by Franchisor, cooperate with Franchisor in preparing its response. Upon Franchisor's request, Franchisee will pay such Taxes and seek reimbursement from the governmental authority. Franchisee will be responsible for any interest or penalties assessed.

14. INDEMNIFICATION

Franchisee will indemnify, defend and hold harmless Franchisor and its Affiliates (and each of their respective predecessors, successors, assigns, current and former directors, officers, shareholders, subsidiaries, employees and agents), against all Claims and Damages, including allegations of negligence by such Persons, to the fullest extent permitted by Applicable Law, arising from: (i) the unauthorized use of Intellectual Property; (ii) the violation of Applicable Law; (iii) the construction, conversion and renovation, repair, operation, ownership or use of the Hotel or the Approved Location (including Claims and Damages arising from a Security Incident or the use of the Other Marks or the Franchisee Marks) or of any other business related to the Hotel or the Approved Location; or (iv) Franchisee's use of the Electronic Systems or any failure by Franchisee to comply with Section 7 of this Agreement. Franchisor will have the right, at Franchisee's cost, to control the defense of any Claim (including the right to select its counsel or defend or settle any Claim) if Franchisor determines such Claim may affect the interests of Franchisor or its Affiliates. Such undertaking by Franchisor will not diminish Franchisee's indemnity obligations. Neither Franchisor nor any indemnified Person will be required to seek recovery from third parties or mitigate its losses to maintain its right to receive indemnification from Franchisee. The failure to pursue such recovery or mitigate its losses will not reduce the amounts recoverable from Franchisee by an indemnified Person. Franchisee's obligation to maintain insurance under Section 15 will not relieve Franchisee of its obligations under this Section 14. Franchisee's obligations under this Section 14 will survive the termination or expiration of this Agreement.

15. INSURANCE

15.1 Insurance Required. During the Term, Franchisee will procure and maintain insurance with the coverages, deductibles, limits, carrier ratings, and policy obligations required by the Standards. Such insurance requirements may include: property insurance including business interruption, earthquake, flood, terrorism and windstorm; workers' compensation; commercial general liability; liquor liability; business auto liability; umbrella or excess liability; fidelity coverage; employment practices liability; cyber liability; and such other insurance customarily carried on lodging properties similar to the Hotel. Franchisor may change such requirements in the Standards and may also require Franchisee to obtain additional types of insurance or increase the amount of coverages. All insurance will by endorsement specifically:

A. name as unrestricted additional insureds Franchisor, any Affiliate designated by Franchisor and their employees and agents (except for workers' compensation and fidelity insurance);

B. provide that the coverages will be primary and that any insurance carried by any additional insured will be excess and non-contributory;

C. contain a waiver of subrogation in favor of Franchisor and any Affiliate of Franchisor; and

D. provide that the policies will not be canceled, non-renewed or reduced without at least 30 days' prior notice to Franchisor.

15.2 Other Requirements. Franchisee will deliver to Franchisor a certificate of insurance (and certified copy of such insurance policy if requested) evidencing the insurance required. Renewal certificates of insurance will be delivered to Franchisor not less than 10 days before their respective inception dates. If Franchisee fails to procure or maintain the required insurance, Franchisor will have the right and authority to procure (without any obligation to do so) such insurance at Franchisee's cost, including a reasonable fee for Franchisor's procurement and maintenance of such insurance. If Franchisee delegates its insurance obligations to any other Person, Franchisee will ensure that such Person satisfies such obligations. Such delegation will not relieve Franchisee of its obligations under this Section 15 and the Standards. Any failure to satisfy the insurance requirements is a default under this Agreement. Franchisee will cooperate with Franchisor in pursuing any claim under insurance required by this Agreement.

16. FINANCING OF THE HOTEL

Franchisee and each Interestholder in Franchisee may grant a lien or other security interest in the Hotel or the revenues of the Hotel, or pledge Ownership Interests in Franchisee or a Control Affiliate as collateral for the financing of the Hotel. Franchisor may provide information to and otherwise communicate with any Person holding such lien, security interest or pledge (or its designee) regarding the status of the Hotel, this Agreement or any breach or default under this Agreement. If any Person exercises its rights under such lien, security interest or pledge, Franchisor will have the rights under Section 19.1. Franchisee will not pledge this Agreement as collateral or grant a security interest in this Agreement, but Franchisor may provide a comfort letter to a lender on Franchisor's then-current form and, if it does so, Franchisee will pay the then-current lender comfort letter processing fee.

17. TRANSFERS

17.1 Franchisee's Transfer Rights. Franchisee agrees that its rights and duties in this Agreement are personal to Franchisee and that Franchisor entered into this Agreement in reliance on the business skill, financial capacity and character of Franchisee and its Affiliates and their principals. Accordingly, any Transfer of the Hotel, or of any Ownership Interest in Franchisee, a Control Affiliate, or the Hotel, may be made only in accordance with this Section 17 (including Section 17.5) and only if such Transfer does not violate Section 17.6. This Agreement may not be Transferred without Franchisor's prior consent.

17.2 Transfers Not Requiring Notice or Consent. As long as the following Transfers of Passive Investor Interests do not result in a change of Control of Franchisee, no notice to or consent by Franchisor is required:

A. *Publicly-traded Securities*. A Transfer of publicly-traded securities purchased on the open market, pursuant to a registration statement or through a registered broker/dealer or investment adviser;

B. *10% Threshold*. A Transfer of Passive Investor Interests (other than those held by a Guarantor) to a transferee that immediately before and after the Transfer owns less than 10% of the Ownership Interests in Franchisee; and

C. *Investment Fund*. A Transfer of limited partnership interests in an investment fund formed by a sponsoring company in the business of raising capital for investment purposes, as long as such fund has at least 20 limited partners, none of which owns (immediately before or after such Transfer) 10% or more of the Ownership Interests in Franchisee or directs the decisions of, or exercises any Control over, the fund or the companies in which the fund invests.

17.3 Transfers Requiring Notice but Not Consent. Franchisee must provide notice to Franchisor at least 20 days prior to any of the following Transfers that are not covered in Section 17.2, but no consent by Franchisor is required:

A. *Passive Investor Transfer*. A Transfer of Passive Investor Interests if the following requirements are met:

1. Franchisee provides Franchisor with the identity of the proposed transferees and their Interestholders, together with all other related information reasonably requested by Franchisor;

2. such Transfer, individually and in the aggregate, will not result in: (i) a change of Control of Franchisee; (ii) any Person and its Affiliates that did not own a majority of the Ownership Interests in Franchisee before such Transfers collectively owning a majority of the Ownership Interests in Franchisee after such Transfer; or (iii) a Transfer of all of Guarantor's Ownership Interest in Franchisee;

3. each new Interestholder is a Qualified Person, and Franchisee pays the fees for any required background checks; and

4. if Franchisor requests, Franchisee will execute an amendment to this Agreement that updates the ownership information in Exhibit A, and pay Franchisor's outside counsel costs related to such documentation, if any.

B. *Transfer to Affiliates; Transfer for Estate Planning Purposes.* A Transfer of the Hotel or an Ownership Interest in Franchisee to an Affiliate of Franchisee, or a Transfer of an Ownership Interest in Franchisee for estate planning purposes to an immediate family member or to an entity owned by, or a trust for the benefit of, an immediate family member, in the case of each such Transfer, if the following requirements are met:

1. Franchisee or its Control Affiliate owns, directly or indirectly, more than 50% of the economic interests of the proposed transferee (if the transferee is an entity), and such Transfer does not otherwise result in a change of Control of Franchisee or the Hotel;

2. Franchisee provides the identity of the proposed transferee and its Interestholders, documentation acceptable to Franchisor evidencing the Transfer, and all other related information reasonably requested by Franchisor;

3. each Guarantor acknowledges the Transfer and reaffirms its obligations under the Guaranty and, if required by Franchisor, another party acceptable to Franchisor executes a guaranty substantially identical to the form in the then-current Disclosure Document;

4. Franchisee is not in breach or default under any of the Marriott Agreements, or if there is a breach or default, there is an agreement to cure such breach or default;

5. each new Interestholder is a Qualified Person, and Franchisee pays the fees for any required background checks; and

6. if Franchisor requests, Franchisee and such transferee will execute any documents required by Franchisor to reflect the Transfer, and Franchisee will pay Franchisor's outside counsel costs related to such documentation, if any.

17.4 Transfers Requiring Notice and Consent. Transfers of the Hotel or a Controlling Ownership Interest in Franchisee, a Control Affiliate or the Hotel may be made only with at least 45 days' advance notice to Franchisor and Franchisor's prior consent.

A. *Conditions to Transfer.* Franchisor's consent to a Transfer under this Section 17.4 will be subject to satisfaction of the following conditions:

1. Franchisee provides Franchisor the identity of all parties and their Interestholders, a copy of the purchase agreement, the organizational documents of the transferee and its Interestholders, together with all other information reasonably requested by Franchisor;

2. payment by Franchisee of the then-current non-refundable property improvement plan fee (including any fees related to an extension thereof), and payment of the then-current application fee for System Hotels to Franchisor by the transferee with its submission of the application. If Franchisor does not consent to the Transfer, Franchisor will refund the application fee, less $10,000;

3. transferee and any new Interestholder is a Qualified Person;

4. retention of a management company consented to by Franchisor under Section 8.1 if Franchisor determines in its sole discretion that the transferee is not qualified to operate the Hotel;

5. execution by the transferee of the then-current form of franchise and related agreements. The new franchise agreement will contain the standard terms for new franchise System Hotels as of the date of the Transfer, including the then-current fees and charges, except that Franchisor may require that the duration be shortened to the remaining Term. The new franchise agreement will also include a property improvement plan requiring the transferee to address any renovations necessary to comply with the Standards;

6. payment of all amounts due Franchisor and execution of a general release of all claims against Franchisor and its Affiliates; and

7. payment of Franchisor's outside counsel costs related to the Transfer.

Prior Transfers of Ownership Interests by or to a Person that already owns Ownership Interests or an Affiliate of such Person will be taken into account in determining whether a Transfer of a Controlling Ownership Interest has occurred. Within 30 days after Franchisor receives notice and all required information, Franchisor will notify Franchisee of its consent to such Transfer or the reason Franchisor is withholding its consent.

B. *Withholding of Consent.* Even if the conditions in Section 17.4.A. are satisfied, Franchisor may withhold its consent to a Transfer under this Section 17.4 if:

1. Franchisor determines that the proposed transferee's debt service or overall financial status will not permit the Hotel to be operated in compliance with the Standards; or

2. an uncured breach or default of a Marriott Agreement exists, and there is no agreement to cure such breach or default in connection with the Transfer; or

3. the Hotel is not in good standing under the Quality Assurance Program; or

4. Franchisor determines that entering into the new franchise agreement required by Section 17.4.A.5 would result in a default or breach of an existing agreement that is binding on Franchisor.

C. *Mental Incompetency or Death.* If any Person holding a Controlling Ownership Interest in Franchisee becomes mentally incompetent or dies, the interest of such Person may be Transferred subject to the terms of this Section 17.4 and only if: (i) any such Transfer will be made within 12 months after such Person is deemed mentally incompetent or dies; and (ii) the obligations of Franchisee will be satisfied pending the Transfer and the Hotel is operated in compliance with this Agreement. If such Person was a Guarantor, Franchisor may require another party acceptable to Franchisor to execute a Guaranty substantially identical to the form in the then-current Disclosure Document. If an executor, custodian, or other representative is appointed to oversee the management of Franchisee, Franchisee will give Franchisor notice of such appointment within 30 days and the appointee will cause the Hotel to be operated in compliance with this Agreement.

17.5 Proposed Transfer to Competitor. If there is a proposed Transfer of the Hotel or an Ownership Interest in Franchisee or a Control Affiliate to a Competitor, Franchisee will notify Franchisor stating the identity of the prospective transferee (including the Interestholders of such prospective transferee), the terms of the proposed transaction, and all other information reasonably requested by Franchisor. Within 30 days after receipt of such notice and information, Franchisor will notify Franchisee of its election of one of the following:

A. Franchisor may place Franchisee in default and give notice of its intent to terminate this Agreement under Section 19.1.B., in which case either: (i) Franchisee will cancel the Transfer; or (ii) this Agreement will terminate and Franchisee will pay damages pursuant to Section 19.4 and comply with its post-termination obligations; or

B. Franchisor may consent to such Transfer, which consent will be on such terms as Franchisor may require, in its sole discretion.

17.6 Restricted Persons. No Transfer of any Ownership Interest in Franchisee, the Hotel or any Marriott Agreement will be made to a Restricted Person or a Person that receives funding from a Restricted Person. Any such Transfer is a default under Section 19.1.B.

17.7 Transfers by Franchisor.

A. *Transfer to Affiliates.* Franchisor may Transfer this Agreement to any of its Affiliates that assumes Franchisor's obligations to Franchisee and is reasonably capable of performing Franchisor's obligations, without prior notice to, or consent of, Franchisee.

B. *Transfer to Other Persons.* Franchisor may Transfer this Agreement to any Person that assumes Franchisor's obligations to Franchisee, is reasonably capable of performing Franchisor's obligations and acquires substantially all of Franchisor's rights in System Hotels, without prior notice to, or consent of, Franchisee. Franchisee agrees that any such Transfer will constitute a release of Franchisor and a novation of this Agreement.

C. *Franchisor's Successors and Assigns.* This Agreement will be binding on and inure to the benefit of Franchisor and its permitted successors and assigns.

18. PROSPECTUS REVIEW

18.1 Franchisor's Review of Prospectus. Except as stated in Section 18.2, if any Prospectus uses the Proprietary Marks, identifies the Hotel or Franchisor or its Affiliates or describes the relationship between Franchisor or Franchisee and their respective Affiliates, Franchisee will:

A. deliver to Franchisor for its review a copy of such Prospectus and all related materials at least 30 days before the earlier of the date such Prospectus is delivered to a potential purchaser or a potential investor or filed with the Securities and Exchange Commission or other governmental authority. Franchisor may require Franchisee to pay its outside counsel costs for the review of such Prospectus;

B. indemnify, defend and hold harmless Franchisor and its Affiliates in connection with such Prospectus and the offering; and

C. use any Proprietary Marks in such Prospectus and in any related materials only as consented to by Franchisor.

Franchisor's review of any Prospectus is conducted solely to determine the accuracy of any description of Franchisor's relationship with Franchisee and compliance with this Agreement, including the requirements of Section 12.1 and this Section 18, and not to benefit any other Person. Such consent will not constitute an endorsement or ratification of the proposed offering or Prospectus.

18.2 Exemption from Review. Franchisor will waive the requirement for its review of a Prospectus if such Prospectus: (i) only uses the Proprietary Marks in block letters to identify the Hotel, (ii) provides a clear statement that the Hotel is operated under a license from Franchisor, and (iii) provides that Franchisor has not reviewed, endorsed or ratified the proposed offering or Prospectus.

19. DEFAULT AND TERMINATION

19.1 Immediate Termination. Franchisee will be in default and Franchisor may terminate this Agreement without providing Franchisee any opportunity to cure the default, effective on notice to Franchisee (or on the expiration of any notice or cure period given by Franchisor in its sole discretion or required by Applicable Law), if any of the following occurs:

A. *Financial Defaults.*

1. Franchisee or any Guarantor files a voluntary petition or a petition for reorganization under any bankruptcy, insolvency or similar law;

2. Franchisee or any Guarantor consents to an involuntary petition under any bankruptcy, insolvency or similar law or fails to vacate any order approving such an involuntary petition within 90 days from the date the order is entered;

3. Franchisee or any Guarantor is unable to pay its debts as they become due;

4. Franchisee or any Guarantor is adjudicated to be bankrupt, insolvent or of similar status by a court of competent jurisdiction;

5. A receiver, trustee, liquidator or similar authority is appointed over the Hotel;

6. Execution is levied against the Hotel, Franchisee or any material real or personal property in the Hotel in connection with a final judgment; or

7. A suit to foreclose any lien, mortgage or security interest in the Hotel or any material personal property at the Hotel, or any security interest in Franchisee is filed and is not vacated within 90 days.

B. *Non-Financial Defaults.*

1. Franchisee or any Guarantor or any other Person that Controls or has an Ownership Interest in Franchisee is or becomes a Restricted Person;

2. Franchisee or any of its Affiliates or any Guarantor takes any action that constitutes a violation of Applicable Law that adversely affects the Hotel or the System;

3. Franchisee or any of its Affiliates or any Guarantor becomes a Competitor or a Transfer occurs that does not comply with the terms of Section 17;

4. Franchisee or any of its Control Affiliates or any Guarantor dissolves or liquidates;

5. Franchisee loses its right to operate or possess the Hotel, or loses ownership of the Hotel; or, if the Hotel is subject to a lease referenced in Item 17 of Exhibit A, Franchisee or the Owner referenced in Item 17 of Exhibit A is in default under such lease, or such lease is terminated for any reason;

6. the Hotel ceases to operate as a System Hotel;

7. Franchisee engages in a pattern of underreporting amounts payable to Franchisor under this Agreement involving three or more months within any 24-month period;

8. a threat to public health or safety occurs from the condition of the Hotel or its operation, that in the opinion of Franchisor, could result in: (i) substantial liability; or (ii) an adverse effect on the Hotel, other System Hotels, the System or the Proprietary Marks and Franchisee fails to close the Hotel and remedy the condition on notice from Franchisor;

9. the Hotel fails to achieve the thresholds of performance established by the Quality Assurance Program and such failure has not been cured within the applicable cure period;

10. any Confidential Information is disclosed in breach of Section 12; or

11. Franchisor sends Franchisee three or more written notices to cure the same or similar breach or default under this Agreement during any 24-month period, even if such breaches or defaults have been cured.

19.2 Default with Opportunity to Cure. Franchisee will be in default and Franchisor may terminate this Agreement for the events listed below, if after 30 days' notice of default (or such greater number of days given by Franchisor in its sole discretion or as required by Applicable Law), Franchisee fails to cure the default as specified in the notice:

A. Franchisee fails to timely start and complete construction or conversion of the Hotel or fails to timely open the Hotel in accordance with this Agreement and the Standards; or

B. Franchisee fails to timely complete any renovation or repair of the Hotel in accordance with this Agreement and the Standards; or

C. Franchisee and its Affiliates fail to pay any amounts due under the Marriott Agreements; or

D. any Marriott Agreement is in breach beyond any applicable cure period, is in default, or is terminated based on a breach by or default of Franchisee or its Affiliates (or any Owner referenced in Item 17 of Exhibit A); or

E. Franchisee or any Interestholder in Franchisee, or any officer, director or employee of Franchisee, is convicted of a Serious Crime or is engaged in conduct that may adversely affect the Hotel, the System, any Franchisor Product or Franchisor, and such Person is not terminated from its relationship with Franchisee; or

F. Franchisee fails to comply with the Standards or there occurs any other breach of the Marriott Agreements, including any representations and warranties by Franchisee.

19.3 Suspension of Reservation System. If Franchisee is in default under this Agreement and the default is not cured within the cure period (if any), Franchisor may, in addition to any other remedies, suspend the Hotel from the Reservation System while such default remains uncured. Once the default is cured, Franchisor will promptly reconnect the Hotel to the Reservation System. Franchisor's exercise of its remedies in this Section 19.3 will not (i) constitute actual or constructive termination or abandonment of this Agreement; (ii) be a waiver of the default or any breach of this Agreement; or (iii) preclude Franchisor from terminating this Agreement in accordance with Section 19.1 or 19.2, as applicable, or pursuing any equitable or other remedies. Franchisee waives all claims against Franchisor and its Affiliates arising from any suspension from the Reservation System arising as a result of Franchisee's default under this Agreement.

19.4 Damages.

A. *Harm to Franchisor.* Franchisee agrees that if it fails to operate the Hotel as a System Hotel for the entire Term, Franchisor will incur damages, including loss of future Franchise Fees and Program Services Contributions, and loss of opportunities for Development Activities, and that replacement of the Hotel with a comparable lodging product will take significant time and effort. Franchisee agrees that it is difficult to calculate such damages over the remainder of the Term and that the liquidated damages provided for in Section 19.4.B. of this Agreement are not a penalty and represent a reasonable estimate of the minimum fair and just compensation for the damages that Franchisor will incur.

B. *Payment of Liquidated Damages.* If Franchisor terminates this Agreement due to Franchisee's default, Franchisee will promptly pay as liquidated damages to Franchisor an amount equal to (i) the Average Monthly Fees *multiplied by* (ii) the lesser of (x) 60 or (y) the number of months remaining in the Term.

C. *Actual Damages Under Special Circumstances*. Franchisee acknowledges that because of the increased difficulty in re-entering the market or replacing multiple hotels and the loss of competitive advantage and customer confidence, Franchisor and the System will suffer additional harm and the liquidated damages described in Section 19.4.B. might be inadequate to compensate Franchisor if this Agreement is terminated under the following circumstances. Therefore, Franchisor reserves the right to seek actual damages in lieu of the liquidated damages described in Section 19.4.B. if:

1. in addition to the termination of this Agreement, at least one additional franchise, license or management agreement for Franchisor Products between Franchisor and Franchisee, or their respective Affiliates, is terminated due to Franchisee's or its Affiliate's default within 12 months of the termination of this Agreement; or

2. this Agreement is terminated (i) as a result of a Transfer to a Competitor, or (ii) in connection with the development or operation of any Other Lodging Product at the Approved Location (which will be deemed to have occurred if, within two years from the date this Agreement terminates, any Person operates, or enters into any agreement or commitment contemplating the operation of, any Other Lodging Product at the Approved Location).

D. *Other Remedies*. Franchisee acknowledges that it does not have the right to terminate this Agreement, and it is obligated to operate the Hotel as a System Hotel for the entire Term. Franchisor's ability to terminate this Agreement and pursue payment of damages under this Section 19.4 does not preclude Franchisor from electing to pursue additional remedies under Applicable Law (including equitable remedies pursuant to Section 24.2) and any such election of remedies will not affect the obligations of Franchisee to comply with Section 20. Franchisee will reimburse Franchisor for any outside counsel costs incurred by Franchisor in connection with any default by Franchisee under Section 19.1 or Section 19.2 of this Agreement.

20. POST-TERMINATION

20.1 Franchisee Obligations.

A. *De-Identification.* On the expiration or other termination of this Agreement, Franchisee will immediately:

1. cease to operate the Hotel as a System Hotel and not represent or create the impression that it is a present or former franchisee or licensee of Franchisor or that the Hotel is or was previously part of the System, unless required under Section 20.1.A.8. below;

2. permanently cease to use, and remove from the Hotel and any other place of business, any Intellectual Property and any other identifying characteristics of the System, including any Electronic Systems, advertising or any articles that display any of the Proprietary Marks (including uses of the Proprietary Marks along with the Franchisee Marks) or any trade dress or distinctive features or designs associated with the System or Franchisor Products;

3. remove any signs containing any Proprietary Marks (if Franchisee is unable to remove the signs immediately, Franchisee will cover the signs and remove them within 48 hours);

4. remove from any internet sites all content under its control related to the System or Franchisor and take all actions necessary to disassociate itself from Franchisor on the internet. Franchisee will, at Franchisor's option, cancel or assign to Franchisor or its designee, any domain name under the control of Franchisee or its Affiliates that contains any Proprietary Mark, or any mark that Franchisor determines is confusingly similar, including misspellings and acronyms;

5. cancel any fictitious, trade or assumed name or equivalent registration that contains any Proprietary Mark or any variations, and provide satisfactory evidence to Franchisor of its compliance within 30 days after expiration or termination of this Agreement;

6. deliver to Franchisor the originals and all copies of any Intellectual Property and all other materials relating to the operation of the Hotel under the System, including Guest Personal Data. Franchisee will not retain a copy of any Intellectual Property or such other System materials (including electronic copies), except for any documents that Franchisee reasonably needs for compliance with Applicable Law. If Franchisor explicitly permits Franchisee to use any Intellectual Property or such other System material after the termination or expiration date, such use by Franchisee will be in accordance with this Agreement and Applicable Law;

7. cease using any of the Confidential Information or the System and disclosing it to anyone not authorized by Franchisor to receive it; and

8. advise all customers in accordance with the Standards that the Hotel is no longer a System Hotel.

B. *Other Obligations and Termination Costs.* On expiration or termination of this Agreement, Franchisee will (a) comply with the obligations in the Sections referenced under Section 27.8; and (b) promptly pay: (i) all amounts owing to Franchisor; (ii) all of Franchisor's costs or fees charged for removing the Hotel from the System (including any costs resulting from cancellation of reservations or early departures by customers receiving the notice sent pursuant to Section 20.2); and (iii) a reasonable estimate of costs and fees that will be due but have not yet been invoiced (if the estimated payment exceeds actual amounts due, Franchisor will refund the difference to Franchisee). Franchisor will have the right to recover reasonable legal fees and court costs incurred in collecting such amounts. If this Agreement is terminated under Section 21.2, Franchisee will cooperate with Franchisor in pursuing its claim under the business interruption insurance required under this Agreement.

20.2 Franchisor's Rights on Expiration or Termination. Before or on the expiration or termination of this Agreement, Franchisor may give notice that the Hotel is leaving the System and take any other action related to customers, Travel Management Companies, suppliers and other Persons affected by such expiration or termination, and Franchisor will not be liable for any Damages related to such notice or action.

21. CONDEMNATION AND CASUALTY

21.1 Condemnation.

A. *Condemnation Notification.* Franchisee will promptly notify Franchisor if it receives notice of any proposed taking of any portion of the Hotel by eminent domain, condemnation, compulsory acquisition or similar proceeding by any governmental authority.

B. *Condemnation Restoration.* If the condemnation award is sufficient to restore the Hotel to meet the Standards, Franchisee will cause the Hotel to be promptly restored and reopened within a reasonable time.

C. *Condemnation Termination.* If the taking in Section 21.1.A. would materially affect the continued operation of the Hotel as a System Hotel on a permanent basis, Franchisor or Franchisee may terminate this Agreement, in which case, Franchisor and Franchisee will execute a termination agreement and release on Franchisor's then-current form, and Franchisee will comply with the post-termination obligations in Section 20.

D. *No Liquidated Damages on Condemnation Termination.* A termination under this Section 21.1 will not be a default under this Agreement and Franchisee will not be required to pay liquidated damages. However, Franchisor will be entitled to receive a fair and reasonable portion of any condemnation award to compensate Franchisor for its lost revenue, but not more than the amount of liquidated damages that would have been due under Section 19.4.B.

21.2 Casualty.

A. *Casualty Notification*. Franchisee will promptly notify Franchisor if the Hotel is damaged by any casualty.

B. *Casualty Restoration.* If the Hotel is damaged by any casualty and the cost to restore the Hotel to the same condition as existed previously is less than 60% of the Hotel's replacement cost at the time of the casualty, Franchisee will cause the Hotel to be promptly renovated and reopened within a reasonable time under Section 4.

C. *Casualty Termination*. If the Hotel is damaged by any casualty and the cost to restore the Hotel to the same condition as existed previously is 60% or more of the Hotel's replacement cost at the time of the casualty, Franchisee will have 180 days after the date of the casualty to elect whether it will restore the Hotel to its previous condition or terminate this Agreement. If Franchisee elects to restore the Hotel, the Hotel will be promptly renovated and reopened within a reasonable time under Section 4. If Franchisee elects to terminate this Agreement, Franchisor and Franchisee will execute a termination agreement and release on Franchisor's then-current form and Franchisee will comply with the post-termination obligations in Section 20. Such termination will not affect Franchisor's right to business interruption insurance proceeds.

D. *No Liquidated Damages on Casualty Termination*. A termination under this Section 21.2 will not be a default under this Agreement and Franchisee will not be required to pay liquidated damages unless, before the date on which the Term otherwise would have ended, Franchisee or any of its Affiliates operates an Other Lodging Product at the Approved Location.

22. COMPLIANCE WITH APPLICABLE LAW; LEGAL ACTIONS

22.1 Compliance with Applicable Law. Franchisee will comply with all Applicable Law, and will obtain all permits, certificates and licenses necessary to operate the Hotel and comply with the Marriott Agreements.

22.2 Notice of Legal Actions. Within seven days of receipt, Franchisee will notify Franchisor and provide copies of: (i) any Claim involving the Hotel, Franchisee or Franchisor; (ii) any judgment, order, or other decree related to the Hotel or Franchisee; or (iii) any inspection reports and warnings about a material failure to meet health, life safety or environmental requirements or any other material violation of Applicable Law related to the Hotel or Franchisee. This Section 22.2 will not change any notice requirement that Franchisee may have under any insurance policies.

23. RELATIONSHIP OF PARTIES

This Agreement does not create a fiduciary relationship between Franchisor and Franchisee. Franchisee is an independent contractor, and neither party is an agent, legal representative, joint venturer, partner, joint employer, or employee of the other for any purpose and Franchisee will make no representation to the contrary. Nothing in this Agreement authorizes Franchisee to make any agreement or representation on Franchisor's behalf or to incur any obligation in Franchisor's name.

24. GOVERNING LAW; ARBITRATION; INTERIM RELIEF; COSTS OF ENFORCEMENT; WAIVERS

24.1 Governing Law, Arbitration, and Jurisdiction.

A. *Governing Law*. This Agreement takes effect on its acceptance and execution by Franchisor in Maryland and will be construed under and governed by Maryland law, which law will prevail if there is any conflict of law. Nothing in this Section 24.1 will make the Maryland Franchise Registration and Disclosure Law apply to this Agreement or the relationship between Franchisor and Franchisee, if such law would not otherwise apply.

B. *Arbitration.*

1. Except as otherwise specified in this Agreement and for Claims for indemnification under Section 14 or actions for injunctive or other equitable relief under Section 24.2, any Dispute related to the Hotel, the Marriott Agreements, the relationship of the parties, or any actions or omissions in connection with any of the above, will be resolved, referred to, and finally settled by, arbitration under and in accordance with the Commercial Arbitration Rules of the American Arbitration Association (or any similar successor rules). The arbitrator(s) will be appointed in accordance with such rules. The number of arbitrators will be one unless the parties agree otherwise in accordance with such rules. The place where arbitration proceedings will be conducted is Baltimore, Maryland. The party bringing the arbitration will submit the following together with any demand or filing required by the American Arbitration Association: (i) a full and specific description of the claim under this Agreement, including identifying the specific provisions that the other party has breached, (ii) documentary evidence of the facts alleged by the complaining party, and (iii) a declaration under penalty of perjury that all facts stated in the claim and documentation are true and correct and do not fail to state facts known to the complaining party that are material to the determination of the dispute.

2. The decision of the arbitral tribunal will be final and binding on the parties and will be enforceable in any courts having jurisdiction. The arbitral tribunal will have no

authority to amend or modify the terms of this Agreement. The arbitral tribunal will have the right to award or include in its award any relief it deems proper, including money damages and interest on unpaid amounts, specific performance and legal fees and costs in accordance with this Agreement; however, the arbitral tribunal may not award punitive, consequential or exemplary damages (except for those related to misuse of Franchisor's Intellectual Property). The costs and expenses of arbitration will be allocated and paid by the parties as determined by the arbitral tribunal.

3. Any arbitration proceeding under this Agreement will be conducted on an individual (not a class-wide) basis and will not be consolidated with any other arbitration proceedings to which Franchisor is a party, except that Franchisor may join any management company operating the Hotel, any owner under an owner agreement related to the Hotel, and any guarantor of any obligations with respect to the Hotel in any such proceeding. Any Dispute to be settled by arbitration under this Section will at the request of Franchisee or Franchisor be resolved in a single arbitration before a single tribunal together with any Dispute arising out of or relating to any other agreement between Franchisee and Franchisor and its Affiliates. A decision on a matter in another arbitration proceeding will not prevent a party from submitting evidence with respect to a similar matter or prevent the arbitral tribunal from rendering an independent decision without regard to such decision in such other arbitration proceeding.

4. Franchisor or Franchisee may, without waiving any rights, seek from a court having jurisdiction any interim or provisional relief that may be necessary to protect its rights or property (including any aspect of the System, or any reason concerning the safety of the Hotel or the health and welfare of any of the Hotel's guests, invitees or employees).

C. *Jurisdiction*. Franchisee expressly and irrevocably submits to the non-exclusive jurisdiction of the courts of the State of Maryland for the purpose of any Disputes that are not required to be subject to arbitration under Section 24.1.B. So far as permitted under Maryland law, this consent to personal jurisdiction will be self-operative.

24.2 Equitable Relief. Franchisor is entitled to injunctive or other equitable relief, including restraining orders and preliminary injunctions, in any court of competent jurisdiction for any threatened or actual material breach of the Marriott Agreements or non-compliance with the Standards. Franchisor is entitled to such relief without the necessity of proving the inadequacy of money damages as a remedy, without the necessity of posting a bond and without waiving any other rights or remedies.

24.3 Costs of Enforcement. The prevailing party in any legal or equitable action related to the Hotel, this Agreement or the other Marriott Agreements will recover its reasonable legal fees and costs, including fees and costs incurred in confirming and enforcing an award under Section 24.1.B. The prevailing party will be determined based upon an assessment of which party's arguments or positions could fairly be said to have prevailed over the other party's arguments or positions on major disputed issues in the arbitration or at trial, and should include an evaluation of the following: the amount of the net recovery; the primary issues disputed by the parties; whether the amount of the award comprises a significant percentage of the amount sought by the claimant; and the most recent settlement positions of the parties.

24.4 WAIVER OF PUNITIVE DAMAGES. EACH OF FRANCHISEE AND FRANCHISOR ABSOLUTELY, IRREVOCABLY AND UNCONDITIONALLY WAIVES THE RIGHT TO CLAIM OR RECEIVE PUNITIVE DAMAGES IN ANY DISPUTE RELATED TO THE HOTEL, THE MARRIOTT AGREEMENTS, THE RELATIONSHIP OF THE PARTIES, OR ANY ACTIONS OR OMISSIONS IN CONNECTION WITH ANY OF THE ABOVE, OTHER THAN FRANCHISOR'S RIGHTS AND REMEDIES RELATED TO FRANCHISOR'S INTELLECTUAL

PROPERTY. NOTHING IN THIS SECTION 24.4 LIMITS FRANCHISEE'S OBLIGATIONS UNDER SECTION 14.

24.5 WAIVER OF JURY TRIAL. EACH OF FRANCHISEE AND FRANCHISOR ABSOLUTELY, IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY DISPUTE RELATED TO THE HOTEL, THE MARRIOTT AGREEMENTS, THE RELATIONSHIP OF THE PARTIES OR ANY ACTIONS OR OMISSIONS IN CONNECTION WITH ANY OF THE ABOVE.

25. NOTICES

A. *Written Notices.* Subject to Section 25.B., all notices, requests, statements and other communications under this Agreement will be: (i) in writing; (ii) delivered by hand with receipt, or by courier service with tracking capability; and (iii) addressed, (a) in the case of Franchisor, to the address stated in Item 15 of Exhibit A; and (b) in the case of Franchisee, to the address stated in Item 16 of Exhibit A, or in either case at any other address designated in writing by the party entitled to receive the notice. Any notice will be deemed received (x) when delivery is received or first refused, if delivered by hand or (y) one day after posting of such notice, if sent via overnight courier.

B. *Electronic Delivery.* Franchisor may provide Franchisee with electronic delivery of routine information, invoices, the Standards and other System requirements and programs. Franchisor and Franchisee will cooperate with each other to adapt to new technologies that may be available for the transmission of such information.

26. REPRESENTATIONS AND WARRANTIES

26.1 Existence; Authorization; Ownership; Other Representations.

A. *Existence.* Each of Franchisor and Franchisee represents and warrants that it: (i) is duly formed, validly existing and in good standing under the laws of the jurisdiction of its formation; and (ii) has and will continue to have the ability to perform its obligations under this Agreement.

B. *Authorization.* Each of Franchisor and Franchisee represents and warrants that the execution and delivery of this Agreement and the performance of its obligations under this Agreement: (i) have been duly authorized; (ii) do not and will not violate, contravene or result in a default or breach of (a) any Applicable Law, (b) its governing documents or (c) any agreement, commitment or restriction binding on the relevant party; and (iii) do not require any consent that has not been obtained by the relevant party. Without limiting the generality of the foregoing, Franchisee represents and warrants to Franchisor that no agreement or other arrangement of any type (including any management agreement, franchise agreement, letter of intent, option to purchase, technical services agreement, reservation agreement, or any oral agreement or course of conduct which could be construed to be a contract) exists, as of the Effective Date, which would prohibit or conflict with Franchisee's ability to enter into this Agreement or perform its obligations under this Agreement.

C. *Prior Representations.* Franchisee represents and warrants that all of the representations, warranties and information in the application and provided for this Agreement were true as of the time made and are true as of the Effective Date, regardless of whether such representations, warranties and information were provided by Franchisee or another Person.

D. *Restricted Person; Competitor.* Franchisee represents and warrants, and will ensure throughout the Term, that (i) neither Franchisee, nor the Person(s) that Control Franchisee, nor any

of its or the Hotel's funding sources is a Restricted Person and (ii) neither Franchisee nor any of its Affiliates is a Competitor.

E. *Ownership of Franchisee.* Franchisee represents and warrants that the information in Attachment Two to Exhibit A regarding its Interestholders is complete and accurate. Upon any Transfer that requires notice to, or the consent of, Franchisor under Section 17, or on request of Franchisor, Franchisee will provide a list of the names and addresses of the Interestholders and documents necessary to confirm such information and update Attachment Two to Exhibit A.

F. *Ownership of the Hotel*. Unless otherwise stated in Item 17 of Exhibit A, Franchisee represents and warrants that either: (i) it is the sole owner of the Hotel and holds good and marketable fee title to the Approved Location; or (ii) the Approved Location is subject to a valid purchase, contribution, or similar agreement, and on closing of such agreement, Franchisee will be the sole owner of the Hotel and will hold good and marketable fee title to the Approved Location. Unless the Hotel is subject to a lease as indicated in Item 17 of Exhibit A, Franchisee will deliver a copy of the recorded deed in Franchisee's name to Franchisor no later than the Construction Start Deadline.

26.2 Additional Franchisee Acknowledgments and Representations.

A. *NO RELIANCE.* IN ENTERING THIS AGREEMENT, FRANCHISEE REPRESENTS AND WARRANTS THAT IT DID NOT RELY ON, AND NEITHER FRANCHISOR NOR ANY OF ITS AFFILIATES HAS MADE, ANY PROMISES, REPRESENTATIONS, WARRANTIES OR AGREEMENTS RELATING TO THE FRANCHISE, THE HOTEL, OR THE APPROVED LOCATION OR THE SYSTEM, UNLESS CONTAINED IN THIS AGREEMENT.

B. *BUSINESS RISK.* FRANCHISEE AGREES THAT THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT INVOLVES SUBSTANTIAL BUSINESS RISK, IS A VENTURE WITH WHICH FRANCHISEE HAS RELEVANT EXPERIENCE AND ITS SUCCESS IS LARGELY DEPENDENT ON FRANCHISEE'S ABILITY AS AN INDEPENDENT BUSINESS. FRANCHISOR DISCLAIMS THE MAKING OF, AND FRANCHISEE AGREES IT HAS NOT RECEIVED, ANY INFORMATION, WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, AS TO THE POTENTIAL REVENUES, PROFITS OR SUCCESS OF SUCH BUSINESS VENTURE. IF, PRIOR TO THE EFFECTIVE DATE, FRANCHISOR HAS FURNISHED ANY HISTORICAL PERFORMANCE DATA OR PROJECTIONS WITH RESPECT TO THE HOTEL IN CONNECTION WITH THE POSSIBILITY OF FRANCHISOR OR ITS AFFILIATES MANAGING THE HOTEL (AS OPPOSED TO GRANTING A FRANCHISE TO FRANCHISEE), FRANCHISEE ACKNOWLEDGES AND AGREES THAT SUCH DATA AND PROJECTIONS ARE NOT APPLICABLE TO A FRANCHISED SYSTEM HOTEL AND THAT IT HAS NOT RELIED THEREON IN ENTERING INTO THIS AGREEMENT. FRANCHISOR WILL NOT INCUR ANY LIABILITY FOR ANY ERROR, OMISSION OR FAILURE CONCERNING ANY ADVICE, TRAINING OR OTHER ASSISTANCE FOR THE HOTEL PROVIDED TO FRANCHISEE, INCLUDING FINANCING, DESIGN, CONSTRUCTION, RENOVATION OR OPERATIONAL ADVICE.

C. *DISCLOSURE AND NEGOTIATION.* FRANCHISEE ACKNOWLEDGES THAT IT HAS READ AND UNDERSTOOD THE DISCLOSURE DOCUMENT AND THE MARRIOTT AGREEMENTS. FRANCHISEE HAS HAD SUFFICIENT TIME AND OPPORTUNITY TO CONSULT WITH ITS ADVISORS ABOUT THE POTENTIAL BENEFITS AND RISKS OF ENTERING INTO THIS AGREEMENT. FRANCHISEE HAS HAD AN OPPORTUNITY TO NEGOTIATE THIS AGREEMENT.

D. *HOLDING PERIODS.* FRANCHISEE ACKNOWLEDGES THAT IT RECEIVED A COPY OF THIS AGREEMENT, ITS EXHIBITS AND ATTACHMENTS, IF ANY, AND RELATED AGREEMENTS, IF ANY, AT LEAST SEVEN DAYS BEFORE THE DATE ON WHICH THIS AGREEMENT WAS EXECUTED. FRANCHISEE FURTHER ACKNOWLEDGES THAT IT HAS RECEIVED THE DISCLOSURE DOCUMENT AT LEAST 14 DAYS BEFORE THE DATE ON WHICH IT EXECUTED THIS AGREEMENT OR MADE ANY PAYMENT TO FRANCHISOR IN CONNECTION WITH THIS AGREEMENT.

E. *DISCLOSURE EXEMPTION.* NOTWITHSTANDING FRANCHISEE'S ACKNOWLEDGMENT IN SECTION 26.2.D, FRANCHISEE REPRESENTS AND ACKNOWLEDGES THAT THIS FRANCHISE SALE IS FOR MORE THAN $1,469,600, EXCLUDING THE COST OF UNIMPROVED LAND AND ANY FINANCING RECEIVED FROM FRANCHISOR OR ITS AFFILIATES, AND THUS IS EXEMPTED FROM THE FEDERAL TRADE COMMISSION'S FRANCHISE RULE DISCLOSURE REQUIREMENTS PURSUANT TO 16 CFR 436.8(a)(5)(i).

27. MISCELLANEOUS

27.1 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed an original and all of which constitute one and the same instrument. Delivery of an electronic signature or an executed signature page by electronic transmission is as effective as delivery of an original signed counterpart. Each party hereto waives any defenses to the enforceability of the terms of this Agreement based on the foregoing forms of signature.

27.2 Construction and Interpretation.

A. *Partial Invalidity.* If any term of this Agreement, or its application to any Person or circumstance, is invalid or unenforceable at any time or to any extent, then: (i) the remainder of this Agreement, or the application of such term to Persons or circumstances except those as to which it is held invalid or unenforceable, will not be affected and each term of this Agreement will be valid and enforced to the fullest extent permitted by Applicable Law; and (ii) Franchisor and Franchisee will negotiate in good faith to modify this Agreement to implement their original intent as closely as possible in a mutually acceptable manner.

B. *Non-Exclusive Rights and Remedies.* No right or remedy of Franchisor or Franchisee under this Agreement or the Standards is intended to be exclusive of any other right or remedy under this Agreement at law or in equity.

C. *No Third-Party Beneficiary.* Nothing in this Agreement is intended to create any third-party beneficiary or give any rights or remedies to any Person except Franchisor or Franchisee and their respective permitted successors and assigns.

D. *Actions from Time to Time.* When this Agreement permits Franchisor to take any action, exercise discretion or modify the System, Franchisor may do so from time to time.

E. *Interpretation of Agreement.* Franchisor and Franchisee intend that this Agreement excludes all implied terms to the maximum extent permitted by Applicable Law. Headings of Sections and geographic or other designations in the footer are for convenience and do not affect interpretation of this Agreement. All Exhibits to this Agreement form an integral part of this Agreement and are incorporated by reference, including all Items of Exhibit A even if such Items are not specifically referred to in this Agreement. Words indicating the singular include the plural and vice versa as the

context may require. References to days, months and years are all calendar references. References that a Person "will" do something mean the Person has an obligation to do such thing. References that a Person "may" do something mean a Person has the right, but not the obligation, to do so. References that a Person "may not" or "will not" do something mean the Person is prohibited from doing so. Examples used in this Agreement and references to "includes" and "including" are illustrative and not exhaustive.

F. *Definitions*. All capitalized terms in this Agreement have the meaning stated in Exhibit B.

[FOR WA STATE, INSERT: G. *State Amendment.* Franchisor reserves the right to challenge the applicability of any law, or administrative policy or interpretation of a law, including any provision set forth in the State of Washington Amendment to the Franchise Agreement or the State of Washington Disclosure Amendments to the Disclosure Document, that declares provisions in this Agreement void or unenforceable.**]**

27.3 Reasonable Business Judgment.

A. *Definition.* Reasonable Business Judgment means:

1. For decisions affecting the System, that the rationale for Franchisor's decision has a business basis that is intended to: (i) benefit the System or the profitability of the System, including Franchisor, regardless of whether some hotels may be unfavorably affected; (ii) increase the value of the Proprietary Marks; (iii) enhance guest, franchisee or owner satisfaction; or (iv) minimize potential brand inconsistencies or customer confusion; and

2. For decisions unrelated to the System (for example, a requested approval for the Hotel), that the rationale for Franchisor's decision has a business basis and Franchisor has not acted in bad faith.

B. *Use of Reasonable Business Judgment.* Franchisor will use Reasonable Business Judgment when discharging its obligations or exercising its rights under this Agreement, including for any consents and approvals and the administration of Franchisor's relationship with Franchisee, except when Franchisor has reserved sole discretion.

C. *Burden of Proof.* Franchisee will have the burden of establishing that Franchisor failed to exercise Reasonable Business Judgment. The fact that Franchisor or any of its Affiliates benefited from any action or decision, or that another reasonable alternative was available, does not mean that Franchisor failed to exercise Reasonable Business Judgment. If this Agreement is subject to any implied covenant or duty of good faith and Franchisor exercises Reasonable Business Judgment, Franchisee agrees that Franchisor will not have violated such covenant or duty.

27.4 Consents and Approvals. Except as otherwise provided in this Agreement, any approval or consent required under this Agreement will not be effective unless it is in writing and signed by the duly authorized officer or agent of the party giving such approval or consent. Franchisor will not be liable for: (i) providing or withholding any approval or consent; (ii) providing any suggestion to Franchisee; (iii) any delay; or (iv) denial of any request.

27.5 Waiver. The failure or delay of either party to insist on strict performance of any of the terms of this Agreement, or to exercise any right or remedy, will not be a waiver for the future.

27.6 Entire Agreement. This Agreement and the Marriott Agreements are fully integrated and contain the entire agreement between the parties as it relates to this franchise, the Hotel and the Approved Location and, subject to Section 26.1.C., supersede and extinguish all prior statements, agreements, promises, assurances, warranties, representations and understandings, whether written or oral, by any Person. Nothing in this Agreement is intended to require Franchisee to waive reliance on any representations made in the Disclosure Document.

27.7 Amendments. This Agreement may only be amended in a written document that has been duly executed by the parties and may not be amended by conduct manifesting assent, and each party is put on notice that any individual purporting to amend this Agreement by conduct manifesting assent is not authorized to do so.

27.8 Survival. The duties and obligations of the parties that by their nature or express language survive expiration or termination of this Agreement will survive expiration or termination of this Agreement, including the terms of this Section 27 as well as the terms of Sections 11, 12, 13.2, 13.4, 13.5, 14, 17.5, 18, 19.4, 20, 21.1.D., 21.2.D., 22.2 (but only with respect to a Claim, judgment, report or warning related to Franchisor or its Affiliates or with respect to the period before such expiration or termination) and 24.

{Signatures appear on the following page}

IN WITNESS WHEREOF, Franchisor and Franchisee have caused this Franchise Agreement to be executed, under seal, as of the Effective Date.

FRANCHISOR:

FRANCHISOR_LICENSOR

By: _____ (SEAL)
Name:
Title:

FRANCHISEE:

FRANCHISE_NAME

By: _____ (SEAL)
Name:
Title:

By: _____ (SEAL)
Name:
Title:

By: _____ (SEAL)
Name:
Title:

EXHIBIT A
KEY TERMS

1.	**Trade Name(s):**	The Luxury Collection
2.	**Approved Location:**	***address***, ***city***, ***state*** ***zip***
3.	**Effective Date:**	
4.	**Term:**	Begins on the Effective Date and ends on the 20th anniversary of the Opening Date
5.	**Franchisor:**	***Franchisor_Licensor***, a ***Local_juris*** ***entity_type***
6.	**Franchisee:**	***Franchise_Name***, a/an ***Fran_Domicili*** ***Fran_corp***
7.	**Number of Guestrooms:**	***rooms***
8.	**Additional Businesses:**	[**IF THE HOTEL BUILDING IS CONTEMPLATED TO HAVE THIRD PARTY BUSINESSES NOT PART OF THE HOTEL OPERATIONS, ADD THE FOLLOWING (OTHERWISE INSERT**: Not Applicable): Franchisee has informed Franchisor that there will be additional non-Hotel businesses (the "Additional Businesses") within the same building as the Hotel **[MODIFY TO ADD SPECIFICS REGARDING BUSINESS AND LOCATION IF KNOWN]**. All Additional Businesses must be pre-approved by Franchisor, and Franchisee will ensure that: (i) the design, construction, renovation and operation of the Additional Businesses comply with Franchisor's fire protection and life safety Standards and the final Plans consented to by Franchisor and do not disrupt the operation of the Hotel, detract from the goodwill of the Proprietary Marks, adversely affect the overall appearance of the Hotel, or pose a threat to public health or safety; (ii) the Additional Businesses are presented to the public as separate and distinct from the System and not integrated into the Hotel's operations, including not using the Intellectual Property in any way with the Additional Businesses or their marketing; (iii) no signage for the Additional Businesses is displayed within the Hotel without Franchisor's approval; (iv) any parts of the Additional Businesses that are visible from or shared with the Hotel comply with the Standards and their design is approved by Franchisor; and (v) the Additional Businesses are maintained and operated at a level consistent with the high standards of the Hotel and the System. Franchisor may inspect the Additional Businesses to confirm compliance with this Agreement. The Additional Businesses are part of the Hotel for purposes of Section 14 and Franchisee will ensure that Franchisor is included as an additional named insured on all

insurance policies for the Additional Businesses.]

9.	**Restricted Territory (Luxury Collection only):**	**[FOR NEW DEVELOPMENT/CONVERSION ADD:** Franchisor or its Affiliates will not, and will not authorize any other Person to, open to the public for business a System Hotel for a period of ____ years after the Opening Date of the Hotel, but not to extend beyond _____, within **[ADD THE FOLLOWING FOR A TERRITORIAL THAT HAS A BOUNDARY DESCRIPTION:** the following area: _____ ("Restricted Territory"). The center, as of the Effective Date, of any road, highway, river or lake described above is the boundary of the Restricted Territory.**] -OR- [ADD THE FOLLOWING FOR A TERRITORIAL THAT HAS A RADIUS DESCRIPTION:** a _____ mile radius measured from the front door of the Hotel ("Restricted Territory").**]** The Restricted Territory is the area outlined on the map in Attachment One to this Exhibit. Should a conflict exist between the map and the narrative, the narrative will control. The restrictions in this paragraph will not apply to: (i) a Chain Acquisition; (ii) any other Franchisor Product that is not included within the System; or (iii) any System Hotel existing or under development as of the Effective Date in the Restricted Territory, and if any such System Hotel in the Restricted Territory ceases to operate as a System Hotel or does not open as a System Hotel, then for each such hotel, an additional hotel may operate as a System Hotel in the Restricted Territory.**]** **[FOR CHANGE OF OWNERSHIP OR RENEWAL ADD:** Not Applicable**]**
10.	**Application Fee:**	**[FOR NEW DEVELOPMENT/CONVERSION ADD:** $100,000 plus an additional $400 per Guestroom in excess of 250**]** **[FOR RELICENSING ADD:** $150,000 or $500 per Guestroom, whichever is greater**]**
11.	**Franchise Fees:**	5% of Gross Room Sales
12.	**Marketing Fund Contribution:**	1% of Gross Room Sales, not to exceed $450,000 in any calendar year
13.	**Construction Start Deadline:**	***open_date***
14.	**Opening Deadline:**	***end_date***

15. **Franchisor Notice Address:**

Franchisor_Licensor
7750 Wisconsin Avenue
Bethesda, MD 20814
Attn: Law Department 52/923.28

16. **Franchisee Notice Address:**

Franchise_Name
fran_street
fran_city, ***fran_state*** ***franZipCode***
Attn: ***Fran_Attn***
Email: ***Fran_email***

with a copy to:

_____
_____
_____
_____
Attn: _____

17. **Lease Provisions:**

IF THE HOTEL OR APPROVED LOCATION IS SUBJECT TO A LEASE, ADD THE FOLLOWING (OTHERWISE INSERT: Not Applicable**):**

Franchisee represents and warrants that **[**(i) Owner is the sole owner of the Hotel, (ii) the Hotel is leased to Franchisee under a lease between Franchisee and Owner**] [OR FOR GROUND LEASE, INSERT:** (i) Franchisee is the sole owner of the Hotel, (ii) the land used for the Hotel is leased to Franchisee under a ground lease between Franchisee and Owner**]** and (iii) Franchisee has all rights and authority relating to the Hotel for the performance of Franchisee's obligations under this Agreement. If the lease provides for Owner to perform any of Franchisee's obligations under this Agreement, Franchisee will cause Owner to perform such obligations as required under this Agreement. The existence of the lease and its terms that require Owner to perform Franchisee's obligations are not an assignment of such obligations to Owner and do not relieve Franchisee of any obligation under this Agreement. The lease will not limit or restrict Franchisor's rights or remedies under this Agreement in any way.

"Owner" means ***Owner_Name***, a/an ***Owner_Domicili*** ***Owner_corp***.

18. **Reserve:**

NEW BUILD ONLY:

Year after Opening Date	% of Gross Revenues
1	1%
2	2%
3-5	3%

6-10	4%
11 and thereafter for the Term	5%

CONVERSION AND RELICENSING: 5%

19. **PIP Review Date:**

[FOR CONVERSION AND RELICENSING ADD: [date**]]**

[FOR NEW BUILD ADD: Not Applicable**]**

20. **Franchisee Marks:**

Name/Trademark	Class	Registration Number	Registration Date

21. **Branding/Design:**

[IF A NEW-BUILD OR A HOTEL FOR WHICH NEW BRANDING/DESIGN WILL BE REQUIRED, ADD THE FOLLOWING: Franchisee will retain a Franchisor-approved branding consultant and interior design firm, develop a communications and marketing plan, implement a service experience program, and create spaces and experiences to reinforce the Design and the Independent Brand for the Hotel, all of which must be acceptable to Franchisor.]

[IF AN EXISTING HOTEL AND THE DESIGN AND BRAND ARE APPROVED – ADD THE FOLLOWING: The existing Design and Independent Brand of the Hotel is approved, subject to Section 4.5.B and completion of the PIP in Exhibit C.]

22. **Additional Terms:**

Not Applicable

ATTACHMENT ONE
TO EXHIBIT A

RESTRICTED TERRITORY

{See map on following page}

ATTACHMENT TWO
TO EXHIBIT A

OWNERSHIP INTEREST IN FRANCHISEE

Name of Owner	Address (Include Country of Residence, if not U.S.)	Country of Formation or Nationality (Include if not U.S.)	% Interest
NAME AND ADDRESS OF ***FRANCHISE_NAME*			
Franchise_Name	***fran_street*** ***fran_city***, ***fran_state*** ***franZipCode***		**N/A**
OWNERSHIP OF ***FRANCHISE_NAME*			
			%
			%
OWNERSHIP OF			
			%
			%

EXHIBIT B
DEFINITIONS

The following terms used in this Agreement have the meanings given below:

"Accessibility Requirements" means the Americans with Disabilities Act and other applicable state laws, codes, and regulations governing public accommodations for persons with disabilities.

"Additional Marketing Programs" means advertising, marketing, promotional, public relations, and sales programs and activities that are not funded by the Marketing Fund, each of which may vary in duration, apply on a local, regional, national, or Category basis, or include other Franchisor Products. Examples include email marketing, internet search engine marketing, transaction-based paid internet searches, sales lead referrals and bookings, cooperative advertising programs, Travel Management Companies programs, incentive awards, gift cards, guest satisfaction programs, complaint resolution programs and Loyalty Programs.

"Affiliate" means, for any Person, a Person that is directly or indirectly Controlling, Controlled by, or under common Control with such Person.

"Agreement" means this Franchise Agreement, including any exhibits and attachments, as may be amended.

"Applicable Law" means applicable national, federal, regional, state or local laws, codes, rules, ordinances, regulations, or other enactments, orders or judgments of any governmental, quasi-governmental or judicial authority, or administrative agency having jurisdiction over the Hotel, Franchisee, any Guarantor, Franchisor in its capacity as licensor under this Agreement or any of the Marriott Agreements, or the matters that are the subject of this Agreement, including any applicable data protection or privacy laws or any of the above that prohibit unfair, fraudulent or corrupt business practices and related activities, including any such actions or inactions that would constitute a violation of money laundering or terrorist financing laws and regulations.

"Application Fee" is defined in Section 3.1.

"Approved Location" means the site, including all land and easements used for the Hotel, described in Item 2 of Exhibit A, as may be updated by the letter agreement issued by Franchisor described in Exhibit C.

"Average Monthly Fees" means: (x) if the Hotel has been operating as a franchised System Hotel for at least 24 full months prior to termination, the average monthly Franchise Fees and Program Services Contributions payable for the Hotel during the immediately preceding 24 months (calculated using the Franchise Fees specified in this Agreement and the Program Services Contribution in effect at the time of termination, but without giving effect to any discounts or incentives); provided that, if Franchisor determines that such calculation does not fairly represent the Hotel's stabilized performance due to an Extraordinary Event, "Average Monthly Fees" will mean the average monthly Franchise Fees and Program Services Contributions payable for the Hotel during the immediately preceding 24 months during which an Extraordinary Event was not in effect, as determined by Franchisor (or, if fewer, the months since the Hotel has been operating as a franchised System Hotel) ("Hotel Average Fees"); and (y) if the Hotel has not operated as a franchised System Hotel for at least 24 months prior to termination, an amount equal to the greater of (a) the average monthly franchise fees and program services fund contributions payable for the previous 24 months for all franchised System Hotels on a per room basis multiplied by the number of Guestrooms at the Hotel or (b) Hotel Average Fees during the period the

Hotel was operating as a franchised System Hotel; provided that, if Franchisee submitted revenue projections in its application and either Franchisee or Franchisor believes that the calculation in (a) or (b) does not fairly represent the Hotel's projected stabilized performance, it will notify the other, in which case "Average Monthly Fees" will mean the average monthly Franchise Fees and Program Services Contributions that would have been payable based on the stabilized Hotel revenue projected by Franchisee in such application, without giving effect to any discounts or incentives.

"Case Goods" means furniture and fixtures used in the Hotel such as cabinets, shelves, chests, armoires, chairs, beds, headboards, desks, tables, mirrors, lighting fixtures and similar items.

"Category" means a group of System Hotels designated by Franchisor or its Affiliates based on criteria such as geographic (for example, local, regional, national or international) or other attributes (for example, resorts, urban, or suburban). A Category may have specific Standards or be a descriptive classification.

"Chain Acquisition" means any lodging product or lodging products that are members of a chain or group of lodging products with a minimum of four lodging products in operation, if (a) all or substantially all are (in a single transaction or combination of related transactions) acquired by, merged with, franchised by or joined through a marketing agreement with, Franchisor or an Affiliate, or (b) the operation of all or substantially all of such lodging products is transferred to Franchisor or an Affiliate, in all cases even if such lodging product (s) is re-branded as a System Hotel.

"Claim" means any demand, inquiry, investigation, action, claim or charge asserted, including in any judicial, arbitration, administrative, debtor or creditor proceeding, bankruptcy, insolvency, or similar proceeding.

"Competing Brand" means a brand, trade name, trademark, system, collection or chain of hotels, Vacation Club Products, whole ownership facilities, short-term rentals, home sharing facilities, or other similar lodging facilities that competes with a Franchisor Product.

"Competitor" means any Person, or any Person that is an Affiliate of a Person, that has a direct or indirect Ownership Interest in or Control of, is the Master Franchisee for, or is the franchisor or licensor of a Competing Brand. No Person will be considered a Competitor if such Person has an interest in a Competing Brand merely as: (i) a franchisee, licensee or a management company that owns or operates lodging facilities under a Competing Brand so long as such Person is not a Master Franchisee for such Competing Brand; or (ii) a passive investor that has no Control over the business decisions of the Competing Brand, such as limited partners or non-Controlling stockholders.

"Confidential Information" means: (i) the Standards; (ii) documents or trade secrets approved for the System or used in the design, construction, renovation or operation of the Hotel; (iii) any Electronic Systems and related documentation; (iv) Guest Personal Data; or (v) any other knowledge, trade secrets, business information or know-how obtained or generated (a) through the use of the System by Franchisee or the operation of the Hotel (or otherwise obtained from Franchisor or its Affiliates in the course of being a franchisee, licensee or owner of the Hotel or of System Hotels) that Franchisor deems confidential or (b) under any Marriott Agreements.

"Construction Start Deadline" is defined in Exhibit C.

"Control" (in any form, including "Controlling" or "Controlled") means, for any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person or the power to veto major policy decisions of such Person. No Person (or Persons

acting together) will be considered to have Control of a publicly-traded company merely due to ownership of voting stock of such company if such Persons collectively beneficially own less than 25% of the voting stock of such company.

"Control Affiliate" means an Affiliate of Franchisee that Controls Franchisee.

"Covered Tax" means any Tax other than a Non-Covered Tax.

"Damages" means losses, costs (including legal or attorneys' fees, litigation costs and settlement payments), liabilities (including employment liabilities, bodily injury, death, property damage and loss, personal injury and mental injury), penalties, interest, and damages of every kind and description.

"Design" means the interior design theme or style reflected in the FF&E, fabrics, colors, and decorations that give the interior spaces an identifiable style or theme, such as "art deco," "modern," or "neoclassical," or a style or theme that is distinctive to the Hotel.

"Design Process" is defined in Section 4.4.

"Design Standards" means those quality requirements or standards for the design of Hotel Improvements and such other information for planning, constructing or renovating and furnishing a System Hotel, including the Electronic Systems, fire protection systems and life safety components of the Hotel.

"Development Activities" means the development, promotion, construction, ownership, lease, acquisition, management or operation of: (i) Franchisor Products (including other System Hotels); and (ii) other business operations, in each case by Franchisor or its Affiliates, or the authorization, licensing or franchising to other Persons to conduct similar activities.

"Disclosure Document" means that certain document entitled "Franchise Disclosure Document" provided by Franchisor to prospective franchisees of System Hotels, as such document may be updated by Franchisor.

"Dispute" means any disagreement, controversy, or Claim relating to or arising out of any Marriott Agreement, the relationship created by any Marriott Agreement, or the validity or enforceability of any Marriott Agreement.

"Effective Date" means the date stated in Item 3 of Exhibit A.

"Electronic Systems" means all Software, Hardware and all electronic access to Franchisor's systems and data (including telephone and internet access), licensed or made available to Franchisee relating to the System, including the Reservation System, the Property Management System, the Yield Management System and any other system established under Sections 7 and 10.

"Electronic Systems Fees" means the fees charged for the Hotel's use of the Electronic Systems, which fees include the development and incremental operating costs, ongoing maintenance, field support costs and the reimbursement of capital invested in the development of such Electronic Systems, together with costs incurred by Franchisor to finance such capital.

"Extraordinary Event" means a Force Majeure Event, a temporary closure of all or part of the Hotel, or other similar event that causes a temporary and extraordinary change in the Hotel's performance.

"FF&E" means Case Goods, Soft Goods, signage and equipment (including telephone systems, printers, televisions, vending machines, and Hardware), but excludes any item included in Fixed Asset Supplies.

"Fixed Asset Supplies" means items such as linen, china, glassware, tableware, uniforms and similar items included within "Operating Equipment" under the Uniform System.

"Force Majeure Event" means an act of nature, terrorism, strike, war, governmental restrictions (including those related to pandemics, quarantine restrictions or other public health restrictions) or other causes beyond Franchisee's control that affect the Hotel.

"Franchise Fees" is defined in Section 3.2.

"Franchisee" means the Person identified in Item 6 of Exhibit A.

"Franchisee Marks" means the names and Marks that Franchisee uses for the Hotel, including the Marks identified in Item 20 of Exhibit A, but excluding the Proprietary Marks, in any format, style, design or logo.

"Franchisor" means the Person identified in Item 5 of Exhibit A, and its successors and assigns.

"Franchisor Products" means any hotels and other lodging products, Vacation Club Products, residential products (such as single family homes or multi-unit apartment buildings or individual units within such buildings), restaurants, and other products, services, activities and business operations of any type that are managed, franchised, licensed, owned, leased, developed, promoted or provided by or associated with (including by membership or affiliation), Franchisor or any of its Affiliates, now or in the future, in whole or in part, using any brand name available to Franchisor or its Affiliates (including any brands or concepts currently used by Franchisor or its Affiliates for hotels and other lodging products, Vacation Club Products, residential products, whole ownership facilities, home sharing facilities, and other similar products or concepts, and any future brands or concepts developed or used by Franchisor or its Affiliates) or not using any brand name.

"Gross Revenues" means all revenues and receipts of every kind (from both cash and credit transactions, with no reduction for charge backs, credit card service charges, or uncollectible amounts) derived from operating the Hotel. Gross Revenues *includes* revenues from: (i) Gross Room Sales; (ii) food and beverage sales; (iii) licenses, leases and concessions; (iv) equipment rental; (v) vending machines; (vi) telecommunications services; (vii) parking; (viii) health club or spa revenues; (ix) sales of merchandise; (x) service charges; (xi) condemnation proceeds for a temporary taking; (xii) any proceeds from business interruption or other loss of income insurance; and (xiii) any awards, judgments or settlements representing payment for loss of revenues. Gross Revenues *excludes*: gratuities received by Hotel employees; sales tax, value added tax, or similar taxes on such revenues and receipts; and proceeds from the sale of FF&E.

"Gross Room Sales" means all revenues and receipts of every kind that accrue from the rental of Guestrooms (with no reduction for charge backs, credit card service charges, or uncollectible amounts). Gross Room Sales *includes*: (i) no-show revenue, early departure fees, late check-out fees and other revenues allocable to rooms revenue under the Uniform System; (ii) resort fees, destination fees, and mandatory surcharges for facilities or other similar charges (although inclusion of such fees, charges or surcharges does not constitute approval by Franchisor of such fees and surcharges, which may be limited or prohibited); (iii) fees for changes to reservations and attrition or cancellation fees collected from unfulfilled reservations for Guestrooms; (iv) the amount of all lost sales due to the non-availability of

Guestrooms in connection with a casualty event, whether or not Franchisee receives business interruption insurance proceeds; and (v) any awards, judgments or settlements representing payment for loss of room sales. Gross Room Sales *excludes* sales tax, value added tax, or similar taxes on such revenues and receipts.

"Guarantor" means the Person or Persons who guarantee the performance of any of Franchisee's obligations under the Marriott Agreements.

"Guaranty" means a guaranty executed by Guarantor for the benefit of Franchisor, the current form of which is included in the Disclosure Document.

"Guest Personal Data" means any information relating to identified or identifiable actual or potential guests or customers of the Hotel and other Franchisor Products, including contact information (such as addresses, phone numbers, facsimile numbers, email and SMS addresses), Guest Preferences and any other information collected from or about actual or potential guests or customers of the Hotel and other Franchisor Products.

"Guest Preferences" means guest histories, preferences, loyalty program activity and any other related information collected from or about actual or potential guests or customers of the Hotel and other Franchisor Products through the Loyalty Programs or other means.

"Guestroom" means each rentable unit in the Hotel consisting of a room, studio, suite or suite of rooms used for overnight guest accommodation, the entrance to which is controlled by the same key or other access mechanism; however, adjacent rooms with connecting doors that can be locked and rented as separate units are considered separate Guestrooms.

"Hardware" means all computer hardware and other equipment (including all upgrades and replacements) required for the operation of any Electronic System.

"Hotel" means: (i) the Approved Location; (ii) Hotel Improvements; and (iii) all FF&E, Fixed Asset Supplies, and Inventories at the Hotel Improvements.

"Hotel Improvements" means the building or buildings containing Guestrooms, Public Facilities, administrative facilities, parking, pools, landscaping, and all other improvements constructed or to be constructed or renovated at the Approved Location.

"Independent Brand" means the identifiable brand concept and ongoing brand activation that consists of the Hotel's competitive and consumer positioning, illustrates the Hotel's unique personality and memorable characteristics, and describes the Hotel's service culture and guest experience.

"Initial Work" is defined in Section 4.2.

"Intellectual Property" means the following items, regardless of the form or medium (for example, paper, electronic, tangible or intangible): (i) all Software, including the data and information processed or stored by such Software; (ii) all Proprietary Marks; (iii) all Confidential Information; and (iv) all other information, materials, and subject matter that are copyrightable, patentable or can be protected under applicable intellectual property laws, and owned, developed, acquired, licensed, or used by Franchisor or its Affiliates for the System.

"Interestholder" means, for any Person, a Person that directly or indirectly holds an Ownership Interest in that Person.

"Inventories" means "Inventories" as defined in the Uniform System, including provisions in storerooms, refrigerators, pantries and kitchens; beverages; other merchandise intended for sale; fuel; mechanical supplies; stationery; and other expensed supplies and similar items.

"Inventory Management" means those inventory management services made available by Franchisor to Franchisee under revenue management or consulting agreements.

"Licensed Marks" means: (i) the Marks identified by the registrations and applications for the principal Proprietary Marks owned by Franchisor or its Affiliates for use for hotel and related services listed in Item 13 of the Disclosure Document, and (ii) any other Proprietary Marks designated in writing as a Licensed Mark by Franchisor, each as may be deleted, added, supplemented, or modified by Franchisor in its sole discretion.

"Loyalty Programs" means all loyalty, recognition, affinity, and other programs designed to promote stays at, or usage of, the Hotel, System Hotels and such other Franchisor Products designated by Franchisor or its Affiliates, or any similar, complementary, or successor programs or combination thereof. As of the Effective Date, such programs include "Marriott Bonvoy" and various programs sponsored by airlines, credit card and other companies.

"Management Company" means a management company for the Hotel selected by Franchisee and consented to by Franchisor.

"Management Company Acknowledgment" means Franchisor's written consent to the operation of the Hotel by the Person named therein.

"Marketing Fund" means money collected by Franchisor and its Affiliates for Marketing Fund Activities.

"Marketing Fund Activities" means, to the extent described in the Disclosure Document, the following activities Franchisor may undertake to promote general public recognition of Franchisor's Marks, including the Proprietary Marks, and use of Franchisor Products, including the Loyalty Program and System Hotels, which may be conducted on a local, regional, national, continental, international or Category basis: (i) brand strategy and brand development activities; (ii) the creation, production, placement and distribution of Marketing Materials in any form of media; (iii) advertising, marketing, promotional, public relations, inventory management, reservation activities and sales campaigns, programs, sponsorships, seminars and other sales activities; (iv) market research and oversight and management of the guest satisfaction program and the Loyalty Programs; (v) development, modification, maintenance, support, administration and operation of the websites, applications, software and related technologies used to promote Franchisor Products, including System Hotels; and (vi) the retention or employment of personnel, advertising agencies, marketing consultants and other professionals to assist in the development, implementation and administration of any such activities.

"Marketing Fund Contribution" is defined in Section 3.7.B.

"Marketing Materials" means all advertising, marketing, promotional, sales and public relations concepts, press releases, materials, concepts, plans, programs, brochures, or other information to be released to the public, whether in paper, digital or electronic, or in any other form of media.

"Marks" means: (i) any trademarks, trade names, trade dress, words, symbols, logos, slogans, designs, insignia, emblems, devices, service marks, and indicia of origin (including taglines, program

names, and restaurant, spa or other outlet names); and (ii) any combinations of the above; in each case, whether registered or unregistered.

"Marriott Agreements" means, collectively, this Agreement, any other agreements executed with this Agreement related to the Hotel and any other agreement, whenever executed, related to the Hotel to which Franchisee, Management Company, any Guarantor or any of their respective Affiliates is a party and to which Franchisor or any of its Affiliates is also a party or beneficiary, as such agreements may be amended.

"Master Franchisee" means a Person that has the exclusive rights to develop, operate or sub-license a Competing Brand.

"Non-Covered Tax" means any Tax which is both (a) a net income tax or franchise tax imposed on Franchisor and (b) imposed by the jurisdiction under the laws of which Franchisor is organized or in which Franchisor has its principal place of business.

"Opening Date" means the date identified as the Hotel opening date in the letter agreement issued by Franchisor described in Exhibit C.

"Opening Deadline" is defined in Exhibit C.

"Other Lodging Product" means a hotel (including an outdoor-focused lodging product), Vacation Club Products, whole ownership facilities, condominium, apartment or other similar lodging product that is not a Franchisor Product.

"Other Mark(s)" is defined in Section 11.3.

"Ownership Interest" means all forms of legal or beneficial ownership or Control of entities or property, including the following: stock, partnership, membership, joint tenancy, leasehold, proprietorship, trust, beneficiary, proxy, power-of-attorney, option, warrant, and any other interest that evidences ownership or Control, whether direct or indirect (unless otherwise specified).

"Passive Investor Interests" means non-Controlling Ownership Interests in Franchisee.

"Periodic Renovations" is defined in Section 4.3.

"Person" means an individual (and the heirs, executors, administrators or other legal representatives of an individual), a partnership, a joint venture, a firm, a company, a corporation, a governmental department or agency, a trustee, a trust, an unincorporated organization or any other legal entity.

"Plans" means construction documents, including a site plan and architectural, mechanical, electrical, civil engineering, plumbing, landscaping and interior design drawings and specifications.

"Program Services" is defined in Section 3.7.A.

"Program Services Contribution" means the amount charged by Franchisor to the Hotel for Program Services.

"Program Services Fund" means money collected by Franchisor for Program Services.

"Property Management System" means all property management systems (including all Software, Hardware and electronic access) designated by Franchisor for use in the front office, back-of-the-office or other operations of System Hotels.

"Proprietary Marks" means the Licensed Marks and any other Marks, whether owned currently by Franchisor or any of its Affiliates or later developed or acquired, that are used or registered by Franchisor or one of its Affiliates, or by usage are associated with one or more System Hotels. The term "Proprietary Marks" does not include the Franchisee Marks.

"Prospectus" means any registration statement, memorandum, offering document, or similar document for the sale or transfer of an Ownership Interest.

"Public Facilities" means the lobby areas, meeting rooms, convention or banquet facilities, restaurants, bars, lounges, corridors and other similar facilities at the Hotel.

"Qualified Person" means a Person that meets Franchisor's then-current owner or management company qualifications, as the case may be, including that such Person or any of its Interestholders or their respective Affiliates: has not been convicted of a Serious Crime; is not a Competitor or a Restricted Person or a Person that receives funding from a Restricted Person; has not engaged in conduct that may adversely affect the Hotel, the System, or Franchisor; and has not been a party to any material civil litigation with Franchisor or its Affiliates.

"Quality Assurance Program" means the program that Franchisor uses to monitor guest satisfaction and the operations, facilities and services at System Hotels.

"Reasonable Business Judgment" is defined in Section 27.3.A.

"Reservation System" means any reservation system designated by Franchisor for System Hotels (including Software, Hardware and related electronic access).

"Reserve" is defined in Section 4.3.B.

"Restricted Person" means a Person: (a) that is identified by any government or legal authority as a Person with whom Franchisor or its Affiliates are prohibited or restricted from transacting business, including: (i) any Person on the U.S. Department of Treasury's *Office of Foreign Assets Control List of Specially Designated Nationals and Blocked Persons*; the U.K. list of *Financial Sanctions Targets maintained by His Majesty's Treasury*; the *Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions*; or any other list or designation of targeted persons, entities, or groups under economic sanctions laws made by the United States, the European Union, the United Kingdom, or the United Nations Security Council; and (ii) any Person ordinarily resident, incorporated, or located in any Sanctioned Territory, or owned or Controlled by, or acting on behalf of, the government of any Sanctioned Territory; or (b) that is directly or indirectly Controlled by, or 10% or more owned by, or the designee of or acting on behalf of, any Person identified in clause (a).

"Restricted Territory" is defined in Item 9 of Exhibit A.

"Sales Agent" means a Person who acts on behalf of Franchisee for: (i) Inventory Management; (ii) booking reservations at the Hotel or other booking activities, including accessing the Reservation System; or (iii) sales activities, including arranging group sales.

"Sanctioned Territory" means any country or territory subject to (i) a comprehensive export, import, or financial embargo under the U.S., U.K., E.U. or U.N.; or (ii) sanctions that materially and adversely restrict Franchisor from providing services under this Agreement in accordance with Standards or Franchisee from operating the Hotel in accordance with Standards.

"Security Incident" means the accidental, unauthorized or unlawful destruction, loss, damage, alteration, use, disclosure of, acquisition of, or access to, Confidential Information (including Guest Personal Data), any attack on or malicious intrusion into any Electronic System (such as a ransomware attack), or any event that gives rise to a reasonable likelihood of the same, or as otherwise updated or defined in the Standards.

"Serious Crime" means a crime punishable by either or both: (i) imprisonment of one year or more; or (ii) payment of a fine or penalty of $10,000 (or the foreign currency equivalent) or more.

"Similar Marks" is defined in Section 11.2.A.6.

"Soft Goods" means wall and floor coverings, window treatments, carpeting, bedspreads, lamps, artwork, decorative items, pictures, wall decorations, upholstery, textile, fabric, vinyl and similar items used in the Hotel.

"Software" means all computer software (including all future upgrades and modifications) and related documentation provided by Franchisor or designated suppliers for the Electronic Systems.

"Standards" means Franchisor's manuals, procedures, systems, guides, programs (including the Quality Assurance Program), requirements, directives, specifications, Design Standards, and such other information and initiatives for operating System Hotels.

"Support Services" is defined in Section 7.3.B.

"System" means the Standards, Intellectual Property, the Electronic Systems, the Loyalty Programs, the Marketing Fund Activities, Additional Marketing Programs, Marketing Materials, training programs, and other elements that Franchisor or its Affiliates have designated for System Hotels.

"System Hotel" means a hotel operated by Franchisor, an Affiliate of Franchisor, or a franchisee or licensee of Franchisor or its Affiliates under the trade name(s) identified in Item 1 of Exhibit A in any of the 50 States of the United States of America, the District of Columbia and Canada, and excludes any other Franchisor Product or other business operation.

"Taxes" means taxes, levies, imposts, duties, fees, charges or liabilities imposed by any governmental authority, including any interest, additions to tax or penalties applicable to any of the foregoing.

"Term" is defined in Section 2.1.

"Transfer" means any absolute or conditional sale, conveyance, transfer, assignment, exchange, lease or other disposition.

"Travel Costs" means all travel, food and lodging, living, and other out-of-pocket costs.

"Travel Management Companies" means travel agencies, online travel agencies, group intermediaries, wholesalers, concessionaires, and other similar travel companies.

"Uniform System" means the current edition of the Uniform System of Accounts for the Lodging Industry, as published by the Hospitality Financial and Technology Professionals, or any other edition, revision or replacement that Franchisor designates.

"Vacation Club Products" means timeshare, fractional, interval, vacation club, destination club, vacation membership, private membership club, private residence club, and points club products, programs and services and includes other forms of products, programs and services where purchasers acquire an ownership interest, use or other rights to use determinable leisure units on a periodic basis and pay in advance for such ownership interest, use or other right.

"Yield Management System" means any yield management system (including all Software, Hardware and electronic access) designated by Franchisor for use by System Hotels.

EXHIBIT C
NEW DEVELOPMENT

Franchisee acknowledges that the Hotel is to be newly developed and constructed at the Approved Location under the terms of this Exhibit C and Section 4.4.

1. Construction of the Hotel.

A. *Construction Start Deadline.* By the date stated in Item 13 of Exhibit A (the "Construction Start Deadline"), Franchisee will have (a) obtained written long term and construction financing commitments; (b) entered into a construction contract; (c) obtained zoning clearances, ingress and egress permits, and building permits in accordance with the approved Plans; (d) excavated for foundations or under slab utilities and poured the foundation; and (e) obtained Franchisor's consent to a Management Company as required under Section 8.1.A. Within 10 days after the date Franchisee has commenced construction, Franchisee will notify Franchisor that it has satisfied the above conditions. If requested, Franchisee will deliver evidence that such conditions have been met.

B. *Opening Deadline.* Franchisee will complete construction and furnish the Hotel in accordance with the approved Plans, the Standards and the Marriott Agreements so that the Opening Date occurs by the date stated in Item 14 of Exhibit A (the "Opening Deadline").

C. *Extensions.*

(i) Time is of the essence, but the Construction Start Deadline will be automatically extended by 30 days on a rolling basis, unless Franchisor provides at least 60 days' notice to Franchisee that such deadline will no longer be automatically extended. Any such automatic extension of the Construction Start Deadline will extend the Opening Deadline by the same amount of time; however, no such automatic extension will extend the term or duration of any Restricted Territory in Item 9 of Exhibit A.

(ii) If Franchisee wishes to further extend such deadlines following Franchisor's notice in the preceding paragraph, or if Franchisee wishes to extend the Opening Deadline after construction of the Hotel has commenced, Franchisee will make a written request giving the reasons for the delay. If the delay is caused by a Force Majeure Event (excluding, for the avoidance of doubt, unavailability of financing), Franchisor will equitably extend such deadlines. If the delay is not caused by a Force Majeure Event, Franchisor may, in its sole discretion, extend such deadlines and require Franchisee to pay its then-current extension fee. The extension fee is nonrefundable unless Franchisor declines to grant the requested extension. No extension under this Section 1.C.(ii) will be granted for more than six months.

D. *Permits and Certifications.* Franchisee will obtain all permits and certifications required for lawful construction and operation of the Hotel, including zoning, access, sign, building permits and fire requirements and, if requested, will certify that it has obtained all such permits and certifications.

E. *Compliance.* Franchisee will ensure that the Hotel complies with Applicable Law, the Design and the Standards, including the Design Standards and the fire protection and life safety Standards (even if such Standards exceed local code requirements).

F. *Franchisee's Responsibilities.* Franchisee is responsible for the entire cost of constructing, equipping, supplying and furnishing the Hotel as a System Hotel.

G. *Site Visits*. During construction, Franchisor's representatives may visit the job site at any time to observe the work, and Franchisee, its contractors and subcontractors will cooperate fully with any such site visits. Upon request, Franchisee will submit photos showing the progress of construction to Franchisor. Franchisor may submit any deficiencies or discrepancies to Franchisee, and Franchisee will promptly correct such items.

2. Opening Date. Without Franchisor's prior approval, Franchisee will not advertise, promote or operate the Hotel as a System Hotel until:

A. the Hotel has been completed in accordance with the Plans, the Standards and the Marriott Agreements, as determined by Franchisor in its sole discretion. Franchisor may require Franchisee to deliver an architect's certification that the Hotel has been completed in accordance with the Plans and a copy of the certificate of occupancy for the Hotel;

B. Franchisee delivers a certificate from its licensed architect, engineer or recognized expert consultant on Accessibility Requirements in the form attached to this Exhibit C as Attachment Two;

C. Franchisee has installed all FF&E, Electronic Systems and other items and equipment for opening the Hotel as a System Hotel, including Fixed Asset Supplies and Inventories, and all is in working order;

D. Franchisee has employed a general manager and department managers, and they have successfully completed Franchisor's training programs;

E. Franchisee and its Affiliates have paid all amounts due Franchisor and its Affiliates;

F. Franchisee has complied with the insurance requirements of this Agreement;

G. Franchisee has retained Franchisor and paid Franchisor the then-current testing and inspection fee to test and inspect the fire protection and life safety systems of the Hotel, and such testing and inspection verifies the Hotel complies with Franchisor's fire protection and life safety Standards and the fire protection and life safety systems of the Hotel are operational. If the Hotel meets certain criteria determined by Franchisor, instead of retaining Franchisor, Franchisee may deliver a certification in the form attached to this Exhibit C as Attachment Three that verifies the Hotel complies with Franchisor's fire protection and life safety Standards and the fire protection and life safety systems of the Hotel are operational. Any such certification must be issued by a third-party licensed fire protection engineer, engineer, or recognized expert consultant on fire and life safety requirements that has been approved by Franchisor. Franchisor may require that such certification be issued by a party that has not participated in the design of the fire protection and life safety systems of the Hotel;

H. Franchisee has notified Franchisor that all requirements for construction, furnishing and opening the Hotel have been completed and the Hotel is ready to open as a System Hotel; and

I. Franchisor has granted approval to open and operate the Hotel as a System Hotel and established the Opening Date in a letter agreement signed by Franchisor and Franchisee or its general manager in the form attached to this Exhibit C as Attachment One. If Franchisor establishes an Opening Date but the letter agreement provides for additional construction, upgrading, renovation, or training (the "Additional Work"), Franchisee will be authorized to use the System and identify the Hotel as a System

Hotel only for such time as Franchisee is diligently completing the Additional Work. Failure to timely complete the Additional Work is a default under this Agreement. Franchisor may review any Additional Work, and Franchisee must ensure that the Hotel complies with all requirements of Franchisor following such review. Franchisee, its contractors and subcontractors must cooperate fully with any inspections conducted by Franchisor. If any site visits and inspections are necessary to ensure the Hotel complies with the Additional Work requirements, Franchisor may charge its then-current fee for the additional time spent inspecting the Hotel plus Travel Costs. If Franchisor determines an additional test and inspection of the fire protection systems or life safety components of the Hotel is necessary, Franchisor may charge Franchisee its then-current fee for such site visits and inspections.

3. Inspection of the Hotel. Franchisor will use its commercially reasonable efforts to inspect the Hotel within 20 days after receipt of the notice specified in Section 2.H of this Exhibit C to determine whether Franchisee has satisfied all the requirements for opening the Hotel as a System Hotel; however, Franchisor will not be liable for delays or loss caused by Franchisor's inability to complete an inspection within such time period. If at any time Franchisor determines any additional testing and inspection of the Hotel's fire protection and life safety systems are necessary, Franchisor may require that Franchisee comply with the first sentence of Section 2.G of this Exhibit C.

4. Opening Team. Franchisor will provide an opening team to assist in the opening of the Hotel as a System Hotel and to train the Hotel employees. The team members will remain at the Hotel for such time as Franchisor deems appropriate to open the Hotel as a System Hotel. Franchisee will pay Franchisor's costs associated with providing such assistance, including Travel Costs.

5. Opening Advertising. Franchisee will conduct an opening advertising and marketing campaign that complies with the Standards.

6. Parking. If the number of dedicated parking spaces at the Hotel does not comply with the Standards, Franchisee will secure at a location approved by Franchisor as many nearby parking spaces as necessary to comply with the Standards (or such lesser amount as Franchisor agrees to in writing). If such nearby parking spaces are not available for use exclusively by Hotel guests and Franchisor determines that inadequate parking has negatively affected guest satisfaction at the Hotel, Franchisor reserves the right to require that Franchisee (i) secure additional parking spaces that will be used exclusively by Hotel guests or (ii) provide valet parking for vehicles of Hotel guests 24 hours a day, 7 days a week and secure a sufficient number of parking spaces in the vicinity of the Hotel to park such vehicles. Any parking alternatives must be approved by Franchisor and operated and maintained in a condition and at all times in a manner consistent with the high standards of quality and service of the Hotel and the System and will be considered part of the Hotel, including for purposes of insurance and indemnification.

7. Access Easement. If Franchisor determines that it is necessary or advisable for Franchisee to secure one or more access easements across adjacent property to have the right to use driveways, drive aisles or sidewalks for pedestrian and vehicular ingress and egress, Franchisee agrees to (i) secure such easements (and the right to display signage approved by Franchisor directing traffic across the property that is subject to the easement) where indicated in the final Plans approved by Franchisor and (ii) maintain such easements and rights at all times during the Term. Franchisee also agrees to construct and maintain at all times during the Term the method of ingress and egress indicated in the final Plans, which will lead directly to the Hotel.

8. Existing Agreements. If the Hotel is subject to a license, membership, franchise, or management agreement (the "Existing Agreement") with another brand not affiliated with Franchisor ("Existing Brand"), Franchisee represents, warrants, and covenants that: (i) such Existing Agreement either expires by its own terms, gives Franchisee the right to terminate, or is subject to a mutual

agreement between Franchisee and Existing Brand to terminate, in each case prior to the Opening Deadline, without any termination being a breach of Franchisee's contract with such Existing Brand, and Franchisee will not terminate or attempt to terminate the Existing Agreement in any manner that would constitute a breach or default under such Existing Agreement; (ii) it will comply with the Existing Agreement, and there is no provision in the Existing Agreement that would prohibit or conflict with Franchisee's ability to enter into this Agreement and comply with its terms; and (iii) it will not use the System until (a) the Existing Agreement has terminated or expires, (b) it has satisfied all obligations of the Existing Agreement that are conditions to such termination or expiration, and (c) Franchisor has authorized such use in the letter referred to in Section 2.I of this Exhibit C. Any Claims of Existing Brand will be subject to Section 14, and any breach of this Section 8 is a default under Section 19.1.B of this Agreement.

EXHIBIT C
CONVERSION

Franchisee acknowledges that the Hotel is to be renovated under the terms of this Exhibit C and Section 4.4:

1. Property Improvement Plan.

A. *Property Improvement Plan*. Based on a review of the Hotel, the property improvement plan prepared by Franchisor attached to this Exhibit C as Attachment Three outlines the conversion renovation requirements for the Hotel to become a System Hotel (the "PIP"). All such requirements must be completed by the Opening Date, unless otherwise noted in the PIP with respect to a particular requirement. All renovations, furniture, fixtures and equipment will conform to the then-current System specifications at the time such work is completed.

B. *Material Change Review*. If any material changes to the Hotel occur after the date stated in Item 19 of Exhibit A, then Franchisor may re-inspect the Hotel ("Material Change Review") and modify the PIP to address such material changes. Franchisee will complete the modified PIP, including any additional requirements, to Franchisor's satisfaction. Franchisee and its contractors will cooperate fully with any inspections Franchisor conducts under a Material Change Review.

2. Conversion Renovation of the Hotel.

A. *Construction Start Deadline.* By the date stated in Item 13 of Exhibit A (the "Construction Start Deadline"), Franchisee will have: (i) obtained written financing commitments for the PIP if necessary; (ii) obtained building permits in accordance with the approved Plans; (iii) begun conversion renovation; and (iv) obtained Franchisor's consent to a Management Company as required under Section 8.1.A. Within 10 days after it has commenced the conversion renovation, Franchisee will notify Franchisor that it has satisfied the above conditions. If requested, Franchisee will deliver evidence that such conditions have been met.

B. *Opening Deadline.* Franchisee will complete the conversion renovation and furnish the Hotel in accordance with the approved Plans, the Standards and the Marriott Agreements so that the Opening Date occurs by the date stated in Item 14 of Exhibit A (the "Opening Deadline").

C. *Extensions.*

(i) Time is of the essence, but the Construction Start Deadline will be automatically extended by 30 days on a rolling basis, unless Franchisor provides at least 60 days' notice to Franchisee that such deadline will no longer be automatically extended. Any such automatic extension of the Construction Start Deadline will extend the Opening Deadline by the same amount of time; however, no such automatic extension will extend the term or duration of any Restricted Territory in Item 9 of Exhibit A.

(ii) If Franchisee wishes to further extend such deadlines following Franchisor's notice in the preceding paragraph, or if Franchisee wishes to extend the Opening Deadline after conversion renovation of the Hotel has commenced, Franchisee will make a written request giving the reasons for the delay. If the delay is caused by a Force Majeure Event (excluding, for the avoidance of doubt, unavailability of financing), Franchisor will equitably extend such deadlines. If the delay is not caused by a Force Majeure Event, Franchisor may, in its sole discretion, extend such deadlines and require Franchisee to pay its then-current extension fee. The extension fee is nonrefundable unless

Franchisor declines to grant the requested extension. No extension under this Section 2.C.(ii) will be granted for more than six months.

D. *Permits and Certifications*. Franchisee will obtain all permits and certifications required for lawful renovation and operation of the Hotel, including zoning, access, sign, building permits and fire requirements, and if requested, will certify that it has obtained all such permits and certifications.

E. *Compliance.* Franchisee will ensure that the Hotel complies with Applicable Law, the Design and the Standards, including the Design Standards and the fire protection and life safety Standards (even if such Standards exceed local code requirements).

F. *Franchisee's Responsibilities*. Franchisee is responsible for the entire cost of renovating, equipping, supplying and furnishing the Hotel as a System Hotel.

G. *Site Visits*. During conversion renovation, Franchisor's representatives may visit the job site at any time to observe the work, and Franchisee, its contractors and subcontractors will cooperate fully with any such site visits. Upon request, Franchisee will submit photos showing the progress of renovation to Franchisor. Franchisor may submit any deficiencies or discrepancies to Franchisee, and Franchisee will promptly correct such items.

3. Opening Date. Without Franchisor's prior approval, Franchisee will not advertise, promote or operate the Hotel as a System Hotel until:

A. the Hotel has been renovated in accordance with the PIP, the Plans, Standards and the Marriott Agreements, as determined by Franchisor in its sole discretion. Franchisor may require Franchisee to deliver an architect's certification that the Hotel has been renovated in accordance with the PIP and the Plans and a copy of the certificate of occupancy for the Hotel;

B. Franchisee delivers a certificate from its licensed architect, engineer or recognized expert consultant on Accessibility Requirements in the form attached to this Exhibit C as Attachment Two;

C. Franchisee has installed all FF&E, Electronic Systems and other items and equipment for opening the Hotel as a System Hotel, including Fixed Asset Supplies and Inventories, and all is in working order;

D. Franchisee has employed a general manager and department managers, and they have successfully completed Franchisor's management training program;

E. Franchisee and its Affiliates have paid all amounts due Franchisor and its Affiliates;

F. Franchisee has complied with the insurance requirements of this Agreement;

G. Franchisee has retained Franchisor and paid Franchisor the then-current testing and inspection fee to test and inspect the fire protection and life safety systems of the Hotel, and such testing and inspection verifies the Hotel complies with Franchisor's fire protection and life safety Standards and the fire protection and life safety systems of the Hotel are operational;

H. Franchisee has notified Franchisor that the PIP has been completed and the Hotel is ready to open as a System Hotel; and

I. Franchisor has granted approval to open and operate the Hotel as a System Hotel and established the Opening Date in a letter agreement signed by Franchisor and Franchisee or its general manager in the form attached to this Exhibit C as Attachment One. If Franchisor establishes an Opening Date but the letter agreement provides for additional construction, upgrading, renovation, or training (the "Additional Work"), Franchisee will be authorized to use the System and identify the Hotel as a System Hotel only for such time as Franchisee is diligently completing the Additional Work. Failure to timely complete the Additional Work is a default under this Agreement. Franchisor may review any Additional Work, and Franchisee must ensure that the Hotel complies with all requirements of Franchisor following such review. Franchisee, its contractors and subcontractors must cooperate fully with any inspections conducted by Franchisor. If any site visits and inspections are necessary to ensure the Hotel complies with the Additional Work requirements, Franchisor may charge its then-current fee for the additional time spent inspecting the Hotel plus Travel Costs. If Franchisor determines an additional test and inspection of the fire protection systems or life safety components of the Hotel is necessary, Franchisor may charge Franchisee its then-current fee for such site visits and inspections.

4. Inspection of the Hotel. Franchisor will use its commercially reasonable efforts to inspect the Hotel within 20 days after receipt of the notice specified in Section 3.H of this Exhibit C to determine whether Franchisee has satisfied all the requirements for opening the Hotel as a System Hotel; however, Franchisor will not be liable for delays or loss caused by Franchisor's inability to complete an inspection within such time period. If at any time Franchisor determines any additional testing and inspection of the Hotel's fire protection and life safety systems are necessary, Franchisor may require that Franchisee comply with Section 3.G of this Exhibit C.

5. Opening Team. Franchisor will provide an opening team to assist in the opening of the Hotel as a System Hotel and to train the Hotel employees. The team members will remain at the Hotel for such time as Franchisor deems appropriate to open the Hotel as a System Hotel. Franchisee will pay Franchisor's costs associated with providing such assistance, including Travel Costs.

6. Opening Advertising. Franchisee will conduct an opening advertising and marketing campaign that complies with the Standards.

7. Parking. If the number of dedicated parking spaces at the Hotel does not comply with the Standards, Franchisee will secure at a location approved by Franchisor as many nearby parking spaces as necessary to comply with the Standards (or such lesser amount as Franchisor agrees to in writing). If such nearby parking spaces are not available for use exclusively by Hotel guests and Franchisor determines that inadequate parking has negatively affected guest satisfaction at the Hotel, Franchisor reserves the right to require that Franchisee (i) secure additional parking spaces that will be used exclusively by Hotel guests or (ii) provide valet parking for vehicles of Hotel guests 24 hours a day, 7 days a week and secure a sufficient number of parking spaces in the vicinity of the Hotel to park such vehicles. Any parking alternatives must be approved by Franchisor and operated and maintained in a condition and at all times in a manner consistent with the high standards of quality and service of the Hotel and the System and will be considered part of the Hotel, including for purposes of insurance and indemnification.

8. Access Easement. If Franchisor determines that it is necessary or advisable for Franchisee to secure one or more access easements across adjacent property to have the right to use driveways, drive aisles or sidewalks for pedestrian and vehicular ingress and egress, Franchisee agrees to (i) secure such easements (and the right to display signage approved by Franchisor directing traffic across the property that is subject to the easement) where indicated in the final Plans approved by Franchisor and (ii) maintain such easements and rights at all times during the Term. Franchisee also agrees to construct and maintain at all times during the Term the method of ingress and egress indicated in the final Plans, which will lead directly to the Hotel.

9. Existing Agreements. If the Hotel is subject to a license, membership, franchise, or management agreement (the "Existing Agreement") with another brand not affiliated with Franchisor ("Existing Brand"), Franchisee represents, warrants, and covenants that: (i) such Existing Agreement either expires by its own terms, gives Franchisee the right to terminate, or is subject to a mutual agreement between Franchisee and Existing Brand to terminate, in each case prior to the Opening Deadline, without any termination being a breach of Franchisee's contract with such Existing Brand, and Franchisee will not terminate or attempt to terminate the Existing Agreement in any manner that would constitute a breach or default under such Existing Agreement; (ii) it will comply with the Existing Agreement, and there is no provision in the Existing Agreement that would prohibit or conflict with Franchisee's ability to enter into this Agreement and comply with its terms; and (iii) it will not use the System until (a) the Existing Agreement has terminated or expires, (b) it has satisfied all obligations of the Existing Agreement that are conditions to such termination or expiration, and (c) Franchisor has authorized such use in the letter referred to in Section 3.I of this Exhibit C. Any Claims of Existing Brand will be subject to Section 14, and any breach of this Section 9 is a default under Section 19.1.B of this Agreement.

ATTACHMENT ONE
TO EXHIBIT C

AUTHORITY TO OPEN LETTER

Date

[Franchisor]
7750 Wisconsin Avenue
Bethesda, Maryland 20814

[Franchisee and address]
_____
_____
_____
Attn:_____

Re: Authority to Open and Operate the [_____] Hotel located at [address] under the Franchise Agreement dated _____ ("Franchise Agreement") between [Franchisor] and _____

Dear _____:

Congratulations! You are authorized and directed to open for business as a System Hotel at the address above (which address is the Approved Location) as of _____ (which date is the Opening Date).

The number of Guestrooms at the Hotel authorized by Franchisor as of the Opening Date is _____. [The number of Guestrooms at the Hotel has increased by _____ Guestrooms since the date of the Franchise Agreement, and Franchisee must pay an expansion fee in the amount of $_____. Please send a check payable to [Franchisor] at the address above to the attention of: Franchise Development, Dept._____.]

[The Hotel has not been completed to Franchisor's specifications. However, based on your agreement to complete the work in Attachment A (the "work") by the date(s) in that Attachment, Franchisor is willing to establish the Opening Date as an accommodation to you. The work must be completed to the satisfaction of Franchisor by no later than _____, or you will be in breach of the Franchise Agreement, which may result in suspending the Hotel from the Reservation System or termination of the Franchise Agreement.]

All terms used and not defined in this Letter have the meanings stated in the Franchise Agreement.

We wish you much success and thank you for your ongoing commitment to Marriott brands.

Respectfully submitted,

FOR [FRANCHISOR]:

By: _____(SEAL)
Name:
Title:

AGREED AND ACCEPTED:

FOR FRANCHISEE:

By: _____(SEAL)
Name:
Title:

ATTACHMENT TWO
TO EXHIBIT C

ADA CERTIFICATION

(to be completed by Franchisee's licensed architect, engineer or ADA consultant)

In connection with the [NAME AND LOCATION OF HOTEL] (the "Hotel"), I hereby certify to [FRANCHISEE] and to [FRANCHISOR] that:

[For an "historic hotel" insert: The Hotel [is eligible for listing in the National Register of Historic Places under the National Historic Preservation Act] [has been designated as historic under State or local law] [is a qualified historic building under the Uniform Federal Accessibility Standards] (an "historic hotel");]

I have used professionally reasonable efforts to ensure that the Hotel complies with the requirements of the Americans with Disabilities Act ("ADA") **[For an "historic hotel" insert: as applicable to an historic hotel]**, and all other related or similar state and local laws, regulations, and other requirements governing public accommodations for persons with disabilities in effect at the time that this certification is made; and

In my professional judgment, the Hotel does in fact comply with such requirements.

By: _____

Print Name: _____

Firm: _____

Date: _____

ATTACHMENT THREE
TO EXHIBIT C

FIRE & LIFE SAFETY CERTIFICATION

(to be completed by Franchisee's third-party licensed fire protection engineer, engineer or recognized fire and life safety consultant that has been approved by Franchisor)[1]

In connection with the [NAME AND LOCATION OF HOTEL] (the "Hotel"), I hereby certify to [FRANCHISEE] and to [FRANCHISOR] that:

I have used professionally reasonable efforts to ensure that the Hotel complies with Marriott International, Inc.'s fire protection and life safety Standards in effect as of the [EFFECTIVE DATE OF FRANCHISE AGREEMENT]; and

In my professional judgment, the Hotel does in fact comply with such standards and the fire protection and life safety systems of the Hotel are operational.

By: _____

Print Name: _____

Firm: _____

Date: _____

[1] Franchisor may require that this certification be issued by a party that has not participated in the design of the fire protection and life safety systems of the Hotel.

ATTACHMENT THREE
TO EXHIBIT C

PROPERTY IMPROVEMENT PLAN

{See property improvement plan beginning on the following page}

EXHIBIT C
CHANGE OF OWNERSHIP

DRAFTING NOTE: Change references from "Franchise Agreement" on the cover page, table of contents, first page and signature page to "Relicensing Franchise Agreement," and delete "Chain Acquisition," "Construction Start Deadline," "Opening Deadline" and "Restricted Territory" from Exhibit B.

In order for the Hotel to continue to operate as a System Hotel, the Agreement is modified by, and the Hotel is to be renovated under, the terms of this Exhibit C and Section 4.4.

1. Franchisee acknowledges that the following modifications are made to the Agreement:

A. "Opening Date" means _____. The reference to the Opening Date in the first sentence of Section 3.2, the first sentence of Section 3.7.A., the first sentence of Section 3.7.B., Section 13.3.A., and Section 13.3.B. is amended to be a reference to the Effective Date.

B. The following are added to Section 3.5:

"D. *Transition Accounting Period Allocations*. For the month in which the Effective Date occurs (the "Transition Accounting Period"), Franchisee and the previous owner or operator of the Hotel will allocate between themselves payment of amounts due Franchisor and its Affiliates for the entire month. However, in the event of a dispute between Franchisee and a previous owner or operator of the Hotel, Franchisee must pay all amounts invoiced by Franchisor or its Affiliates with respect to the operation of the Hotel for the entire Transition Accounting Period as though the term of this Agreement had begun on the first day of the Transition Accounting Period, less any amounts paid in respect of such invoices by the previous owner or operator of the Hotel. Franchisee acknowledges and agrees that any dispute between Franchisee and the previous owner or operator of the Hotel concerning the allocation of payments for the Transition Accounting Period will be no defense to Franchisee's obligations pursuant to this Section 3.5.D.

E. *Transition Accounting Period Franchise Fees*. For purposes of calculating the Franchise Fees due with respect to Gross Room Sales for the Transition Accounting Period, Franchisor may, in its sole discretion, apply the percentage rate that was in effect for the Hotel immediately before the Effective Date (the "Previous Rate") in lieu of the Franchise Fees required by Item 11 of Exhibit A, but only if the Previous Rate is less than the percentage rate stated in Item 11 of Exhibit A."

C. The following are added to Section 26.2:

"F. *NO ENDORSEMENT*. FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR DID NOT APPROVE, RECOMMEND, ENDORSE OR PARTICIPATE IN ANY DECISIONS ABOUT THE TERMS OF ANY TRANSACTION UNDER WHICH FRANCHISEE ACQUIRED CONTROL OF THE HOTEL, INCLUDING THE PURCHASE PRICE, AND DID NOT COMMENT ON ANY FINANCIAL PROJECTIONS SUBMITTED TO FRANCHISEE.

G. *EXISTING AGREEMENTS*. FRANCHISEE AGREES TO BE BOUND BY ALL AGREEMENTS BETWEEN THE PRIOR FRANCHISEE OF THE HOTEL AND FRANCHISOR OR ITS AFFILIATES, SUCH AS LICENSE, SERVICE OR REVENUE MANAGEMENT AGREEMENTS AND ANY OTHER AGREEMENTS RELATING TO THE HOTEL."

D. The following is added to Exhibit A under "Additional Terms":

"Non-Compliance Fee:	If Franchisee fails to complete the PIP to Franchisor's satisfaction on or before the PIP Completion Deadline (a "Non-Compliance Event"), in addition to any other remedies, Franchisee will pay Franchisor a non-compliance fee of 1.0% of Gross Room Sales for each month of the Term the Non-Compliance Event has occurred and continued for one or more days (a "Non-Compliance Fee"). Franchisor's receipt of the Non-Compliance Fee will not (i) be a waiver of the Non-Compliance Event or any breach of this Agreement; or (ii) preclude Franchisor from terminating this Agreement in accordance with Section 19.2 or pursuing any equitable or other remedies. Franchisee waives all claims against Franchisor and its Affiliates arising from Franchisor charging the Non-Compliance Fee arising as a result of a Non-Compliance Event."

2. Franchisee represents and warrants that it has paid Franchisor's outside legal counsel fees and costs incurred for the preparation and negotiation of the Marriott Agreements.

3. Property Improvement Plan.

A. *Property Improvement Plan.* Based on a review of the Hotel, the property improvement plan prepared by Franchisor attached to this Exhibit C as Attachment One outlines the renovation requirements for the Hotel to continue to operate as a System Hotel (the "PIP"). All such requirements must be completed by the date that is [__] months after the Effective Date (the "PIP Completion Deadline"), unless otherwise noted in the PIP with respect to a particular item. All renovations, furniture, fixtures and equipment will conform to the then-current System specifications at the time such work is completed. Completion of the PIP does not satisfy Franchisee's obligation to renovate the Hotel under Section 4.3.

B. *Material Change Review*. If any material changes to the Hotel occur after the date stated in Item 19 of Exhibit A, then Franchisor may re-inspect the Hotel ("Material Change Review") and modify the PIP to address such material changes. Franchisee will complete the modified PIP, including any additional requirements, to Franchisor's satisfaction. Franchisee and its contractors will cooperate fully with any inspections Franchisor conducts under a Material Change Review.

C. *PIP Deadlines.* Franchisee will perform each item in the PIP by the date stated in the PIP with respect to such item and will complete the entire PIP by the PIP Completion Deadline. Time is of the essence, but if Franchisee wishes to extend the PIP Completion Deadline or the deadline for completion of any particular item in the PIP, Franchisee will make a written request giving the reasons for

the delay. If the delay is caused by a Force Majeure Event (excluding for the avoidance of doubt, unavailability of financing), Franchisor will equitably extend such deadlines. If the delay is not caused by a Force Majeure Event, Franchisor may, in its sole discretion, extend such deadlines. For any extension, Franchisor may require Franchisee to pay its then-current extension fee. The extension fee will be paid to Franchisor with the request for the extension and is nonrefundable unless Franchisor declines to grant the requested extension. No extension under this Section 3.C will be granted for more than six months.

D. *Permits and Certifications*. Franchisee will obtain all permits and certifications required for lawful renovation and operation of the Hotel, including zoning, access, sign, building permits and fire requirements, and if requested, will certify that it has obtained all such permits and certifications.

E. *Compliance.* Franchisee will ensure that the Hotel complies with Applicable Law, the Design and the Standards, including the Design Standards and the fire protection and life safety Standards (even if such Standards exceed local code requirements).

F. *Franchisee's Responsibilities*. Franchisee is responsible for the entire cost of renovating, equipping, supplying and furnishing the Hotel as a System Hotel. Franchisee will not use any of the Reserve to pay for the PIP.

G. *Site Visits*. During renovation, Franchisor's representatives may visit the job site at any time to observe the work, and Franchisee, its contractors and subcontractors will cooperate fully with any such site visits. Upon request, Franchisee will submit photos showing the progress of renovation to Franchisor. Franchisor may submit any deficiencies or discrepancies to Franchisee, and Franchisee will promptly correct such items. If any site visits and inspections are necessary to ensure the Hotel complies with the PIP, Franchisor may charge its then-current fee for the time spent inspecting the Hotel plus Travel Costs.

H. *Accessibility Certification*. Franchisee will not be deemed to have satisfied the requirements of the PIP until Franchisee delivers a certification from its licensed architect, engineer, or recognized expert consultant on Accessibility Requirements in the form attached to this Exhibit C as Attachment Two.

I. *Fire Protection and Life Safety Certification.* Franchisee will not be deemed to have satisfied the requirements of the PIP until Franchisee has retained Franchisor and paid Franchisor the then-current testing and inspection fee to test and inspect the fire protection and life safety systems of the Hotel, and such testing and inspection verifies the Hotel complies with Franchisor's fire protection and life safety Standards and the fire protection and life safety systems of the Hotel are operational.

J. *Completion.* Franchisee will not be deemed to have satisfied the requirements of the PIP until Franchisor has confirmed completion to its satisfaction.

ATTACHMENT ONE
TO EXHIBIT C

PROPERTY IMPROVEMENT PLAN

All items must be completed within _____ months after the Effective Date, unless otherwise noted with respect to a particular item.

Insert PIP

ATTACHMENT TWO
TO EXHIBIT C

ADA CERTIFICATION

(to be completed by Franchisee's licensed architect, engineer, or ADA consultant)

In connection with the [NAME AND LOCATION OF HOTEL] (the "Hotel"), I hereby certify to [FRANCHISEE] and to [FRANCHISOR] that:

[For an "historic hotel" insert: The Hotel [is eligible for listing in the National Register of Historic Places under the National Historic Preservation Act] [has been designated as historic under State or local law] [is a qualified historic building under the Uniform Federal Accessibility Standards] (an "historic hotel");]

I have used professionally reasonable efforts to ensure that the Hotel complies with the requirements of the Americans with Disabilities Act ("ADA") **[For an "historic hotel" insert: as applicable to an historic hotel]**, and all other related or similar state and local laws, regulations, and other requirements governing public accommodations for persons with disabilities in effect at the time that this certification is made; and

In my professional judgment, the Hotel does in fact comply with such requirements.

By: _____

Print Name: _____

Firm: _____

Date: _____

INSERT STATE AMENDMENT IF NECESSARY

GUARANTY

This Guaranty ("Guaranty") is executed as of ("Effective Date") by the undersigned party or parties ("Guarantor"), for the benefit of ***Franchisor_Licensor***, a ***Local_juris*** ***entity_type*** ("Franchisor").

In consideration of and as an inducement to Franchisor to execute the ***brand*** Franchise Agreement dated (as such agreement may be amended, the "Agreement"), between Franchisor and ***Franchise_Name***, a/an ***Fran_Domicili*** ***Fran_corp*** ("Franchisee"), for the hotel located or to be located at ***address***, ***city***, ***state*** ***zip***, Guarantor agrees as follows:

1. Unconditional Guaranty. Guarantor unconditionally guarantees that all of Franchisee's obligations under the Marriott Agreements will be punctually paid and performed. Upon failure by Franchisee to punctually pay or perform and notice from Franchisor, Guarantor will immediately make each payment and perform each obligation required of Franchisee under the Marriott Agreements. Franchisor may extend, modify or release any indebtedness or obligation of Franchisee, or settle, adjust or compromise any Claim against Franchisee without notice to Guarantor, and any such action will not affect the obligations of Guarantor under this Guaranty.

2. Waiver of Notices. Guarantor waives (i) notice of any amendment of any of the Marriott Agreements and (ii) notice of demand for payment or performance by Franchisee. Guarantor's guarantee applies to any extension or renewal of any of the Marriott Agreements. Guarantor unconditionally and irrevocably waives notice of acceptance of this Guaranty, presentment, demand, diligence, protest and dishonor or of any other notice to which Guarantor otherwise might be entitled under Applicable Law.

3. Obligations of Guarantor.

A. *No Limitations.* The obligations of Guarantor under this Guaranty will not be reduced, limited, terminated, discharged, impaired or otherwise affected by (i) Franchisee's failure to pay a fee or provide consideration to Guarantor for the issuance of this Guaranty; (ii) the occurrence or continuance of a default under any of the Marriott Agreements; (iii) any assignment of any of the Marriott Agreements; (iv) any amendment, waiver, consent or other action taken related to any Marriott Agreement, including any discounts or extensions of time for payment of any amounts due under any of Marriott Agreement or extensions of time for the performance of any obligation of Franchisee under any Marriott Agreement; (v) the voluntary or involuntary liquidation, sale or other disposition of all or any portion of Franchisee's assets, or the receivership, insolvency, bankruptcy, reorganization or similar proceedings affecting Franchisee or its assets or the release or discharge of Franchisee from any of its obligations under any Marriott Agreement; or (vi) any change of circumstances, whether or not foreseeable, and whether or not any such change could affect the risk of Guarantor.

B. *Changes to the Marriott Agreements.* Any modifications, amendments, waivers or consents to the Marriott Agreements may be agreed to or granted without the approval or consent of Guarantor.

4. Payment and Performance. This Guaranty constitutes a guaranty of payment and performance and not of collection. Guarantor waives any right to require Franchisor to proceed, by way of set-off or otherwise, against (i) Franchisee; (ii) any assets of Franchisee; (iii) any assets of Franchisee held by any Person as security; or (iv) any other guarantor.

5. Preferences or Other Return Payments. This Guaranty will continue to be effective or be reinstated, as the case may be, if at any time payment under any of the Marriott Agreements is rescinded or must otherwise be restored or returned by Franchisor due to the insolvency, bankruptcy or reorganization of Franchisee or Guarantor, all as though such payment had never been made.

6. Notices. All notices and other communications will be: (i) in writing; (ii) delivered by hand with receipt, or by courier service with tracking capability; and (iii) addressed as provided below or at any other address designated in writing by Guarantor. Any notice will be deemed received (i) when delivery is received or first refused, if delivered by hand or (ii) one day after posting of such notice, if sent via overnight courier.

7. Joint and Several Liability. If more than one Person has executed this Guaranty as a Guarantor, the liability of each Guarantor will be joint, several and primary.

8. Death of Guarantor. On the death of any individual Guarantor, the estate of such Guarantor will be bound by this Guaranty but only for defaults and obligations existing at the time of death. In such event, the obligations of any other Guarantors will continue in full force and effect.

9. Existence; Authorization; Prior Representations.

A. *Existence.* Each Guarantor that is not an individual represents and warrants that it: (i) is duly formed, validly existing and in good standing under the laws of the jurisdiction of its formation and (ii) has, and will continue to have, the ability to perform its obligations under this Guaranty.

B. *Authorization.* Each Guarantor represents and warrants that the execution and delivery of this Guaranty and the performance of its obligations under this Guaranty: (i) have been duly authorized; (ii) do not and will not violate, contravene or result in a default or breach of (a) any Applicable Law, (b) its governing documents or (c) any agreement, commitment or restriction binding on the relevant party; and (iii) do not require any consent that has not been properly obtained by the relevant party.

C. *Prior Representations.* Guarantor represents and warrants that all of the information in the application and provided in the Marriott Agreements was true as of the time made and is true as of the Effective Date, regardless of whether such representations and warranties were provided by Franchisee or another Person.

D. *Restricted Persons*. Guarantor represents and warrants, and will ensure throughout the Term, that neither Guarantor nor any of its funding sources is a Restricted Person.

E. *Relationship to Franchisee*. Guarantor represents and warrants that it is an Interestholder or Affiliate of Franchisee and that it will derive substantial benefit from the execution of the Agreement and other good and valuable consideration for entry into this Guaranty.

10. Governing Law; Arbitration; Jurisdiction.

A. *Governing Law*. This Guaranty will be construed under and governed by Maryland law, which law will prevail if there is any conflict of law.

B. *Arbitration*.

1. Except as otherwise agreed in this Guaranty and for Claims for indemnification under Section 14 of the Agreement or actions for injunctive or other equitable relief under Section 24.2 of the Agreement, any disagreement, controversy, or Claim relating to or arising out of this Guaranty, the relationship created by this Guaranty, or the enforceability of this Guaranty, including any question regarding its existence, validity, legality or termination, and any claim regarding a breach or enforcement of this Guaranty (each, a "Dispute"), will be referred to, and finally settled by, arbitration under and in accordance with the Commercial Arbitration Rules of the American Arbitration Association (or any similar successor rules). The arbitrator(s) will be appointed in accordance with such rules. The number of arbitrators will be one, unless the parties agree otherwise in accordance with such rules. The place where arbitration proceedings will be conducted is Baltimore, Maryland. The party bringing the arbitration will submit the following together with any demand or filing required by the American Arbitration Association: (1) a full and specific description of the claim under this Guaranty including identifying the specific provisions that the other party has breached, (2) documentary evidence of the facts alleged by the complaining party, and (3) a declaration under penalty of perjury that all facts stated in the claim and documentation are true and correct and do not fail to state facts known to the complaining party that are material to the determination of the dispute.

2. The decision of the arbitral tribunal will be final and binding on the parties and will be enforceable in any courts having jurisdiction. The arbitral tribunal will have no authority to amend or modify the terms of this Guaranty. The arbitral tribunal will have the right to award or include in its award any relief it deems proper, including money damages and interest on unpaid amounts, specific performance and legal fees and costs in accordance with this Guaranty; however, the arbitral tribunal may not award punitive, consequential or exemplary damages (except for those related to misuse of Franchisor's Intellectual Property). The costs and expenses of arbitration will be allocated and paid by the parties as determined by the arbitral tribunal.

3. Any arbitration proceeding under this Guaranty will be conducted on an individual (not a class-wide) basis and will not be consolidated with any other arbitration proceedings to which Franchisor is a party, except that Franchisor may join any current or former guarantor of any obligations with respect to the Hotel in any such proceeding. Any Dispute to be settled by arbitration under this Section will at the request of any party to, or beneficiary of, this Guaranty be resolved in a single arbitration before a single tribunal together with any Dispute arising out of or relating to any other agreement between such parties or Franchisor's Affiliates. A decision on a matter in another arbitration proceeding will not prevent a party from submitting evidence with respect to a similar matter or prevent the arbitral tribunal from rendering an independent decision without regard to such decision in such other arbitration proceeding.

4. Any party to or beneficiary of this Guaranty may, without waiving any rights, seek from a court having jurisdiction any interim or provisional relief that may be necessary to protect its rights or property (including, without limitation, any aspect of the System, or any reason concerning the safety of the Hotel or the health and welfare of any of the Hotel's guests, invitees or employees).

C. *Jurisdiction*. Guarantor expressly and irrevocably submits to the non-exclusive jurisdiction of the courts of the State of Maryland for the purpose of any Disputes that are not required to be subject to arbitration under Section 10.B. So far as is permitted under Maryland law, this consent to personal jurisdiction will be self-operative.

11. Costs of Enforcement. Guarantor agrees to pay all costs, including reasonable legal fees, incurred by Franchisor and its Affiliates to enforce or protect any rights or to collect any amounts due under this Guaranty or any other Marriott Agreement.

12. WAIVER OF PUNITIVE DAMAGES. EACH OF GUARANTOR AND, BY ACCEPTANCE OF THIS GUARANTY, FRANCHISOR ABSOLUTELY, IRREVOCABLY AND UNCONDITIONALLY WAIVES THE RIGHT TO CLAIM OR RECEIVE PUNITIVE DAMAGES IN ANY DISPUTE RELATED TO THIS GUARANTY, THE RELATIONSHIP OF THE PARTIES OR ANY ACTIONS OR OMISSIONS IN CONNECTION WITH ANY OF THE ABOVE, OTHER THAN FRANCHISOR'S RIGHTS AND REMEDIES RELATED TO FRANCHISOR'S INTELLECTUAL PROPERTY.

13. WAIVER OF JURY TRIAL. EACH OF GUARANTOR AND, BY ACCEPTANCE OF THIS GUARANTY, FRANCHISOR ABSOLUTELY, IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY DISPUTE RELATED TO THIS GUARANTY, THE RELATIONSHIP OF THE PARTIES OR ANY ACTIONS OR OMISSIONS IN CONNECTION WITH THE ABOVE.

14. Counterparts. This Guaranty may be executed in any number of counterparts, each of which will be deemed an original and all of which constitute one and the same instrument. Delivery of an electronic signature or an executed signature page by electronic transmission is as effective as delivery of an original signed counterpart. Guarantor waives any defenses to the enforceability of the terms of this Guaranty based on the foregoing forms of signature.

15. Definitions. All capitalized terms not defined in this Guaranty have the meaning stated in the Agreement.

16. Waiver. Franchisor's failure to exercise any right or to insist on compliance by Guarantor with any provision of this Guaranty will not constitute a waiver of Franchisor's right to demand later full compliance with any provision of this Guaranty.

17. Amendments. This Guaranty may only be amended in a written document that has been duly executed by Guarantor and acknowledged and agreed to by Franchisor, and may not be amended by conduct manifesting assent, and each of Franchisor and Guarantor is put on notice that any individual purporting to amend this Guaranty by conduct manifesting assent is not authorized to do so.

{Signatures appear on the following page}

IN WITNESS WHEREOF, Guarantor has executed this Guaranty, under seal, as of the Effective Date.

GUARANTOR:

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

ADDRESS FOR NOTICES:

_____
_____
_____

OWNER AGREEMENT

This Owner Agreement ("Agreement") is executed on the "Effective Date"), by ***Franchisor_Licensor***, a ***Local_juris*** ***entity_type*** ("Franchisor"), ***Franchise_Name***, a/an ***Fran_Domicili*** ***Fran_corp*** ("Franchisee"), and ***Owner_Name***, a/an ***Owner_Domicili*** ***Owner_corp*** ("Owner").

RECITALS

A. Franchisor and Franchisee are parties to the ***brand*** Franchise Agreement dated (as amended, the "Franchise Agreement") relating to the Hotel, a copy of which is attached as Exhibit C.

B. Franchisee and Owner **[will enter] [have entered]** into a lease (the "Lease"). Franchisee will lease **[land constituting part of]** the Hotel from Owner and will operate the Hotel as a System Hotel.

NOW, THEREFORE, in consideration of the promises in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. ACKNOWLEDGMENTS AND COMPLIANCE

1.1 Acknowledgments.

Owner acknowledges that:

A. Franchisor has granted to Franchisee a limited, non-exclusive license to use the Proprietary Marks and the System to operate the Hotel as a System Hotel under the terms of the Franchise Agreement for the Term;

B. Franchisee is obligated to operate the Hotel as a System Hotel for the Term; and

C. Owner will benefit from the operation of the Hotel as a System Hotel.

1.2 Compliance; Confidential Information.

A. *Compliance*. If Owner has undertaken such obligations in the Lease, Owner will develop, construct and maintain the Hotel in strict compliance with the Marriott Agreements and the Standards as if Owner had executed the Franchise Agreement as "Franchisee." Owner will procure the insurance required under the Franchise Agreement if it is not obtained by Franchisee. Owner will comply with Applicable Law. Owner, however, will not be responsible for the operation of the Hotel or payment obligations under the Franchise Agreement, except as otherwise provided in this Agreement.

B. *Confidential Information.* Owner will maintain the confidentiality of any Confidential Information in compliance with Section 12 of the Franchise Agreement. Owner will obtain no other rights to use the Intellectual Property or to operate the Hotel as a System Hotel.

C. *Not a Franchise or License.* This Agreement does not constitute a separate franchise or license to Owner.

2. TERM.

The term of this Agreement will begin on the Effective Date and will expire at the end of the Term of the Franchise Agreement unless this Agreement is terminated earlier. If the Franchise Agreement

is renewed or extended, this Agreement will automatically be extended to expire at the end of the renewal Term or extended Term of the Franchise Agreement.

3. PROVISIONS OF THE LEASE.

The following terms will be considered incorporated into the Lease. If the Lease has inconsistent terms, the terms below will control:

A. *Possession and Control*. Franchisee will have exclusive possession of the Hotel and exclusive control of the day-to-day operations of the Hotel for a term that is no shorter than the Term.

B. *Compliance with Franchise Agreement*. The Hotel will be operated in compliance with the Franchise Agreement, and the Franchise Agreement will control in case of conflict with the Lease.

4. OWNER'S OBLIGATION TO CURE DEFAULTS UNDER FRANCHISE AGREEMENT.

Franchisor will copy Owner on any notice of default issued to Franchisee under the Franchise Agreement. Owner must cure such default on behalf of Franchisee during the cure period stated in the default notice.

5. RIGHTS AND OBLIGATIONS ON TERMINATION OF FRANCHISE AGREEMENT

5.1 New Franchise Agreement or Management Agreement. On Franchisor's request, and if Franchisor terminates the Franchise Agreement due to a default that is not caused by Owner, Owner will elect to either:

A. enter into (or cause a substitute franchisee to enter into) a new franchise agreement with Franchisor, in which case Owner (or such substitute franchisee) will execute such agreement, together with any related agreements required by Franchisor, to be effective on the date of the termination of the Franchise Agreement ("New Franchise Agreement"). The New Franchise Agreement will be in a form contained in the then-current Disclosure Document, except that (a) the Franchise Fees will be the same as in the Franchise Agreement; and (b) the term will be the remaining Term of the Franchise Agreement; or

B. enter into a management agreement with an Affiliate of Franchisor, in which case Owner will execute such agreement, together with any related agreements required by Franchisor, to be effective on the date of the termination of the Franchise Agreement ("Management Agreement"). The Management Agreement will be in Franchisor's standard form and the term will be equal to or longer than the remaining Term of the Franchise Agreement.

Owner will notify Franchisor of its election under this Section within 30 days of the date Owner receives the notice of termination of the Franchise Agreement and will enter into the applicable agreement within 30 days of its election. If the Franchise Agreement is terminated before a New Franchise Agreement or a Management Agreement is signed, Owner will execute a short-term agreement to operate the Hotel under the terms and conditions of the Franchise Agreement on an interim basis until the New Franchise Agreement or Management Agreement is executed.

5.2 Qualifications for a New Franchise Agreement. To obtain a New Franchise Agreement, the franchisee must be, as determined by Franchisor in its sole discretion: (i) financially capable and responsible; (ii) sufficiently qualified in managerial skills and operational capacity (unless a

third party management company consented to by Franchisor will operate the Hotel); and (iii) able to perform the obligations of the New Franchise Agreement. Such franchisee will provide Franchisor all information reasonably requested to determine that it meets Franchisor's then-current qualifications for franchisees of System Hotels.

5.3 Additional Obligations. If Franchisor does not make a request under Section 5.1 to continue the relationship with Owner, after termination of this Agreement and the Franchise Agreement, Owner and Franchisee will be obligated, jointly and severally, to remove the Hotel from the System, pay all amounts due, including damages pursuant to Section 19.4 of the Franchise Agreement, and comply with the post-termination obligations in Section 9 of this Agreement and Section 20 of the Franchise Agreement. Franchisor may enforce the Franchise Agreement directly against Owner as if Owner were the Franchisee under the Franchise Agreement.

6. RIGHTS AND OBLIGATIONS ON TERMINATION OF THE LEASE

If Owner terminates the Lease due to a default by Franchisee, Owner and Franchisor will proceed in accordance with Section 5. However, if there is a dispute between Owner and Franchisee about the termination of the Lease, and Franchisee retains possession of the Hotel, Franchisor may permit Franchisee to continue to operate the Hotel under the Franchise Agreement as long as it retains possession. Franchisor's rights under this Agreement will be reserved pending resolution of the dispute between Owner and Franchisee.

7. TRANSFERS

7.1 Owner's Transfer Rights. Owner agrees that its rights and duties in this Agreement are personal to Owner, and that Franchisor entered into this Agreement in reliance on the business skill, financial capacity and character of Owner and its Affiliates and their principals. Given that Owner may obtain a franchise under Section 5, the Hotel or any Ownership Interest in Owner, a Control Affiliate or the Hotel, may be Transferred only in accordance with Section 17 of the Franchise Agreement, as if Owner were "Franchisee." This Agreement may not be Transferred without Franchisor's prior consent.

7.2 Transfers by Franchisor.

A. *Transfer to Affiliates.* Franchisor may Transfer this Agreement to any of its Affiliates that assume Franchisor's obligations to Owner and is reasonably capable of performing Franchisor's obligations, without prior notice to, or consent of, Owner.

B. *Transfer to Other Persons.* Franchisor may Transfer this Agreement to any Person that assumes Franchisor's obligations to Owner, is reasonably capable of performing Franchisor's obligations, and acquires substantially all of Franchisor's rights for System Hotels, without prior notice to, or consent of, Owner. Owner agrees that any such Transfer will constitute a release of Franchisor and a novation of this Agreement.

C. *Franchisor's Successors and Assigns.* This Agreement will be binding on and inure to the benefit of Franchisor and its permitted successors and assigns.

8. DEFAULTS AND TERMINATION

8.1 Immediate Termination.

A. *Defaults Applicable to Owner under Franchise Agreement.* If Owner would be in default under Section 19.1 of the Franchise Agreement as if Owner were "Franchisee," then Owner will be in default and Franchisor may terminate this Agreement without providing Owner any opportunity to cure the default. This termination is effective on notice to Owner or on the expiration of any notice or cure period given by Franchisor in its sole discretion or required by Applicable Law.

B. *Defaults under Franchise Agreement Caused by Owner.* If Franchisor terminates the Franchise Agreement based on a default that is caused by an act or omission of Owner, Franchisor may, on notice to Owner and without further action, immediately terminate this Agreement and the Hotel's relationship with the System and require Owner to comply with Section 9.

8.2 Default with Opportunity to Cure.

A. *Defaults Applicable to Owner under Franchise Agreement*. Owner will be in default and Franchisor may terminate this Agreement for the events listed in Section 19.2 of the Franchise Agreement to the extent such default is applicable to Owner, if after 30 days' notice of default (or such greater number of days given by Franchisor in its sole discretion or as required by Applicable Law), Owner fails to cure the default as specified in the notice.

B. *Defaults under this Agreement*. Owner will be in default and Franchisor may terminate this Agreement if Owner fails to cure any default under this Agreement after 30 days' notice of default (or such greater number of days given by Franchisor in its sole discretion or as required by Applicable Law).

9. POST-TERMINATION OBLIGATIONS OF OWNER

If the Franchise Agreement and this Agreement are terminated and Franchisee fails to perform any post-termination obligation under the Franchise Agreement, Franchisor may enforce the Franchise Agreement directly against Owner as if Owner were "Franchisee," and Owner will perform, or cause to be performed, all post-termination obligations of Franchisee under Section 20.1.A of the Franchise Agreement.

10. CONDEMNATION AND CASUALTY

A. *Condemnation.* Owner will promptly notify Franchisor if it receives notice of any proposed taking of any portion of the Hotel by eminent domain, condemnation, compulsory acquisition or similar proceeding by any governmental authority, and will cause the Hotel to be restored and reopened if and as required under Section 21.1 of the Franchise Agreement. Franchisor will be entitled to receive a fair and reasonable portion of any condemnation award as provided under Section 21.1 of the Franchise Agreement.

B. *Casualty.* Owner will promptly notify Franchisor if the Hotel is damaged by any casualty, and will cause the Hotel to be renovated and reopened if and as required under Section 21.2 of the Franchise Agreement.

11. FINANCING OF THE HOTEL

Owner and each Interestholder in Owner may grant a lien or other security interest in the Hotel or the revenues of the Hotel, or pledge Ownership Interests in Owner or a Control Affiliate as collateral for the financing of the Hotel. If any Person exercises its rights under such lien, security interest or pledge, Franchisor will have the rights under Section 8.1 of this Agreement and Section 19.1 of the Franchise

Agreement. Owner will not pledge this Agreement as collateral or grant a security interest in this Agreement.

12. GOVERNING LAW; ARBITRATION; INTERIM RELIEF; COSTS OF ENFORCEMENT

12.1 Governing Law. This Agreement takes effect on its acceptance and execution by Franchisor in Maryland and will be construed under and governed by Maryland law, which law will prevail if there is any conflict of law.

12.2 Arbitration.

A. Except as otherwise agreed in this Agreement and for Claims for indemnification under Section 14 of the Franchise Agreement or actions for injunctive or other equitable relief under Section 12.4 of this Agreement, any disagreement, controversy, or Claim relating to or arising out of this Agreement, the relationship created by this Agreement, or the enforceability of this Agreement, including any question regarding its existence, validity, legality or termination, and any claim regarding a breach or enforcement of this Agreement (each, a "Dispute"), will be referred to, and finally settled by, arbitration under and in accordance with the Commercial Arbitration Rules of the American Arbitration Association (or any similar successor rules). The arbitrator(s) will be appointed in accordance with such rules. The number of arbitrators will be one, unless the parties agree otherwise in accordance with such rules. The place where arbitration proceedings will be conducted is Baltimore, Maryland. The party bringing the arbitration will submit the following together with any demand or filing required by the American Arbitration Association: (1) a full and specific description of the claim under this Agreement including identifying the specific provisions that the other party has breached, (2) documentary evidence of the facts alleged by the complaining party, and (3) a declaration under penalty of perjury that all facts stated in the claim and documentation are true and correct and do not fail to state facts known to the complaining party that are material to the determination of the dispute.

B. The decision of the arbitral tribunal will be final and binding on the parties and will be enforceable in any courts having jurisdiction. The arbitral tribunal will have no authority to amend or modify the terms of this Agreement. The arbitral tribunal will have the right to award or include in its award any relief it deems proper, including money damages and interest on unpaid amounts, specific performance and legal fees and costs in accordance with this Agreement; however, the arbitral tribunal may not award punitive, consequential or exemplary damages (except for those related to misuse of Franchisor's Intellectual Property). The costs and expenses of arbitration will be allocated and paid by the parties as determined by the arbitral tribunal.

C. Any arbitration proceeding under this Agreement will be conducted on an individual (not a class-wide) basis and will not be consolidated with any other arbitration proceedings to which Franchisor is a party, except that Franchisor may join any current or former owner under an owner agreement related to the Hotel in any such proceeding. Any Dispute to be settled by arbitration under this Section will at the request of any party to this Agreement be resolved in a single arbitration before a single tribunal together with any Dispute arising out of or relating to any other agreement between such parties or Franchisor's Affiliates. A decision on a matter in another arbitration proceeding will not prevent a party from submitting evidence with respect to a similar matter or prevent the arbitral tribunal from rendering an independent decision without regard to such decision in such other arbitration proceeding.

D. Any party to this Agreement may, without waiving any rights, seek from a court having jurisdiction any interim or provisional relief that may be necessary to protect its rights or property

(including, without limitation, any aspect of the System, or any reason concerning the safety of the Hotel or the health and welfare of any of the Hotel's guests, invitees or employees).

12.3 Jurisdiction. Owner expressly and irrevocably submits to the non-exclusive jurisdiction of the courts of the State of Maryland for the purpose of any Disputes that are not required to be subject to arbitration under Section 12.2. So far as permitted under Maryland law, this consent to personal jurisdiction will be self-operative.

12.4 Equitable Relief. Franchisor is entitled to injunctive or other equitable relief, including restraining orders and preliminary injunctions, in any court of competent jurisdiction for any threatened or actual material breach of the Marriott Agreements or non-compliance with the Standards. Franchisor is entitled to such relief without the necessity of proving the inadequacy of money damages as a remedy, without the necessity of posting a bond and without waiving any other rights or remedies.

12.5 Costs of Enforcement. The prevailing party in any legal or equitable action related to the Hotel, this Agreement or the other Marriott Agreements will recover its reasonable legal fees and costs, including fees and costs incurred in confirming and enforcing an award under Section 12.2.B. The prevailing party will be determined based upon an assessment of which party's arguments or positions could fairly be said to have prevailed over the other party's arguments or positions on major disputed issues in the arbitration or at trial, and should include an evaluation of the following: the amount of the net recovery; the primary issues disputed by the parties; whether the amount of the award comprises a significant percentage of the amount sought by the claimant; and the most recent settlement positions of the parties.

12.6 WAIVER OF PUNITIVE DAMAGES. EACH OF OWNER, FRANCHISEE AND FRANCHISOR ABSOLUTELY, IRREVOCABLY AND UNCONDITIONALLY WAIVES THE RIGHT TO CLAIM OR RECEIVE PUNITIVE DAMAGES IN ANY DISPUTE RELATED TO THIS AGREEMENT, THE MARRIOTT AGREEMENTS, THE HOTEL, THE RELATIONSHIP OF THE PARTIES OR ANY ACTIONS OR OMISSIONS IN CONNECTION WITH ANY OF THE ABOVE, OTHER THAN FRANCHISOR'S RIGHTS AND REMEDIES RELATED TO FRANCHISOR'S INTELLECTUAL PROPERTY.

12.7 WAIVER OF JURY TRIAL. EACH OF OWNER, FRANCHISEE AND FRANCHISOR ABSOLUTELY, IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY DISPUTE RELATED TO THIS AGREEMENT, THE MARRIOTT AGREEMENTS, THE HOTEL, THE RELATIONSHIP OF THE PARTIES OR ANY ACTIONS OR OMISSIONS IN CONNECTION WITH ANY OF THE ABOVE.

13. NOTICES

Subject to Section 25.B of the Franchise Agreement, all notices, requests, statements and other communications under this Agreement will be (i) in writing; (ii) delivered by hand with receipt, or by courier service with tracking capability; and (iii) addressed as provided in Exhibit B or at any other address designated in writing by the party entitled to receive the notice. Any notice will be deemed received (i) when delivery is received or first refused, if delivered by hand or (ii) one day after posting of such notice, if sent via overnight courier.

14. REPRESENTATIONS AND WARRANTIES

A. *Existence.* Each party represents and warrants that it (i) is duly formed, validly existing and in good standing under the laws of the jurisdiction of its formation; and (ii) has and will continue to have the ability to perform its obligations under this Agreement.

B. *Authorization.* Each of Franchisor, Franchisee and Owner represents and warrants that the execution and delivery of this Agreement and the performance of its obligations under this Agreement: (i) have been duly authorized; (ii) do not and will not violate, contravene or result in a default or breach of (a) any Applicable Law, (b) its governing documents or (c) any agreement, commitment or restriction binding on the relevant party; and (iii) do not require any consent that has not been obtained by the relevant party.

C. *Restricted Person; Competitor.* Owner represents and warrants, and will ensure throughout the Term, that (i) neither Owner, nor the Person(s) that Control Owner, nor any of its or the Hotel's funding sources is a Restricted Person and (ii) neither Owner nor any of its Affiliates is a Competitor.

D. *Ownership of Owner*. Owner represents and warrants that its Interestholders are completely and accurately listed in Exhibit A. If there have been changes, or on request of Franchisor, Owner will provide a list of the names and addresses of the Interestholders and documents necessary to confirm such information and update Exhibit A.

E. *Ownership of the Hotel*. Owner represents and warrants that it is the sole owner of the Hotel and holds good and marketable fee title to the Approved Location.

15. MISCELLANEOUS

15.1 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed an original and all of which constitute one and the same instrument. Delivery of an electronic signature or an executed signature page by electronic transmission is as effective as delivery of an original signed counterpart. Each party hereto waives any defenses to the enforceability of the terms of this Agreement based on the foregoing forms of signature.

15.2 Construction and Interpretation.

A. *Partial Invalidity*. If any term of this Agreement, or its application to any Person or circumstance, is invalid or unenforceable at any time or to any extent, then (i) the remainder of this Agreement, or the application of such term to Persons or circumstances other than those as to which it is held invalid or unenforceable, will not be affected and each term of this Agreement will be valid and enforced to the fullest extent permitted by Applicable Law; and (ii) Franchisor, Franchisee and Owner will negotiate in good faith to modify this Agreement to implement their original intent as closely as possible in a mutually acceptable manner.

B. *Non-Exclusive Rights and Remedies.* No right or remedy of Franchisor, Franchisee or Owner under this Agreement is intended to be exclusive of any other right or remedy under this Agreement at law or in equity.

C. *No Third-Party Beneficiary.* Nothing in this Agreement is intended to create any third-party beneficiary or give any rights or remedies to any Person except Franchisor, Franchisee and Owner and their respective permitted successors and assigns.

D. *Interpretation of Agreement.* Franchisor, Owner and Franchisee intend that this Agreement excludes all implied terms to the maximum extent permitted by Applicable Law. Headings of Sections are for convenience and are not to be used to interpret the Sections to which they refer. All Exhibits to this Agreement are incorporated by reference. Words indicating the singular include the plural and vice versa as the context may require. References to days, months and years are all calendar references. References that a Person "will" do something mean the Person has an obligation to do so. References that a Person "may" do something mean a Person has the right, but not the obligation, to do so. References that a Person "may not" or "will not" do something mean the Person is prohibited from doing so.

E. *Definitions*. All capitalized terms not defined in this Agreement have the meaning stated in the Franchise Agreement.

15.3 Reasonable Business Judgment.

A. *Use of Reasonable Business Judgment.* Franchisor will use Reasonable Business Judgment when discharging its obligations or exercising its rights under this Agreement, including for any consents and approvals and the administration of Franchisor's relationship with Owner, except when Franchisor has reserved sole discretion.

B. *Burden of Proof.* Owner will have the burden of establishing that Franchisor failed to exercise Reasonable Business Judgment. The fact that Franchisor or any Affiliate of Franchisor benefited from any action or decision or that another reasonable alternative was available does not mean that Franchisor failed to exercise Reasonable Business Judgment. If this Agreement is subject to any implied covenant or duty of good faith and Franchisor exercises Reasonable Business Judgment, Owner agrees that Franchisor will not have violated such covenant or duty.

15.4 Waiver. The failure or delay of either party to insist on strict performance of any of the terms of this Agreement, or to exercise any right or remedy, will not be a waiver for the future.

15.5 Entire Agreement. This Agreement and the Marriott Agreements are fully integrated and contain the entire agreement between the parties as it relates to the Hotel and the Approved Location and supersede all prior understandings and writings.

15.6 Amendments. This Agreement may only be amended in a written document that has been duly executed by the parties and may not be amended by conduct manifesting assent, and each party is put on notice that any individual purporting to amend this Agreement by conduct manifesting assent is not authorized to do so.

15.7 Survival. The terms of Sections 1, 5, 9, 10 and 12 of this Agreement, and, to the extent applicable to Owner, Section 27.8 of the Franchise Agreement, survive expiration or termination of this Agreement.

{Signatures appear on the following page}

IN WITNESS WHEREOF, the parties have caused this Owner Agreement to be executed, under seal, as of the Effective Date.

FRANCHISOR:

FRANCHISOR_LICENSOR

By: _____ (SEAL)
Name:
Title:

FRANCHISEE:

FRANCHISE_NAME

By: _____ (SEAL)
Name:
Title:

By: _____ (SEAL)
Name:
Title:

By: _____ (SEAL)
Name:
Title:

OWNER:

OWNER_NAME

By: _____ (SEAL)
Name:
Title:

EXHIBIT A
OWNERSHIP INTERESTS IN OWNER

Name of Owner	Address (Include Country of Residence, if not U.S.)	Country of Formation or Nationality (Include if not U.S.)	% Interest
NAME AND ADDRESS OF ***OWNER_NAME*			
Owner_Name	***own_street*** ***own_city***, ***own_state*** ***own_ZipCode***		**N/A**
OWNERSHIP OF ***OWNER_NAME*			
			%
			%
OWNERSHIP OF			
			%
			%

EXHIBIT B
NOTICE ADDRESSES

To Franchisor:

Franchisor_Licensor
7750 Wisconsin Avenue
Bethesda, MD 20814
Attn: Law Department 52/923.28

with a copy to:

Marriott International, Inc.
7750 Wisconsin Avenue
Bethesda, MD 20814
Attn: Global Lodging Services

To Owner:

Owner_Name
own_street
own_city, ***own_state*** ***own_ZipCode***
Attn: ***Owner_Attn***
Email: ***Owner_email***

To Franchisee:

Franchise_Name
fran_street
fran_city, ***fran_state*** ***franZipCode***
Attn: ***Fran_Attn***
Email: ***Fran_email***

EXHIBIT C
FRANCHISE AGREEMENT

EXHIBIT D

STATE AMENDMENTS TO DISCLOSURE DOCUMENT

STATE AMENDMENTS TO DISCLOSURE DOCUMENT

This exhibit contains amendments to the disclosure document for the following states:

California

Hawaii

Illinois

Maryland

Minnesota

New York

North Dakota

Rhode Island

Virginia

Washington

CALIFORNIA

STATUTORY AND REGULATORY PROVISIONS AND
REQUIREMENTS OF THE STATE OF CALIFORNIA APPLICABLE TO THE
FRANCHISE DISCLOSURE DOCUMENT

- 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.

- Item 3 of the disclosure document is modified to include the following:

  Neither we, nor any person identified in Item 2, is subject to any currently effective order of any national securities association or national securities exchange (as defined in the Securities and Exchange Act of 1934, 15 U.S.C. § 78a, et seq.) suspending or expelling such person from membership in such association or exchange.

- Item 17 of the disclosure document is modified to include the following:

  - California Business and Professions Code Sections 2000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

  - The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. § 101, et seq.)

  - The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

  - The franchise agreement requires application of the laws of the state of Maryland. This provision may not be enforceable under California law.

  - The franchise agreement requires binding arbitration. The arbitration will occur in Baltimore, Maryland with the costs being borne by the parties as determined by the arbitrator(s). Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

  - You must sign a general release if you transfer the franchise. This provision may not be enforceable under California law. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or order thereunder is void. Business and Professions Code Section 21000 might void a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

- Item 19 of the disclosure document is modified to include the following:

  The financial performance representations figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent

investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees, listed in the disclosure document, may be one source of this information.

- If the franchisee makes any acknowledgements in the franchise agreement or other documents signed in connection with the entering into the franchise agreement relating to facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the California Franchise Investment Law, regulation, rule or order under the California Franchise Investment Law, then such acknowledgments will be void. It is the intent of this provision that non-waiver provisions of the California Franchise Investment Law be satisfied.

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

Each provision of this Amendment to the disclosure document will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the California Franchise Investment Law or the California Franchise Relations Act, as applicable, are met independently without reference to this Amendment to the disclosure document and to the extent it is then a valid requirement of the statute.

HAWAII

STATUTORY AND REGULATORY PROVISIONS AND
REQUIREMENTS OF THE STATE OF HAWAII APPLICABLE TO THE
FRANCHISE DISCLOSURE DOCUMENT

- **THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF SECURITIES, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE COMMISSIONER OF SECURITIES, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN 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 SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO 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.**

Each provision of this Amendment to the disclosure document that relates to the Hawaii Franchise Investment Law will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this Amendment to the disclosure document and to the extent it is then a valid requirement of the statute.

ILLINOIS

STATUTORY AND REGULATORY PROVISIONS AND
REQUIREMENTS OF THE STATE OF ILLINOIS APPLICABLE TO THE
FRANCHISE DISCLOSURE DOCUMENT

- The Cover Page, Item 17.v., "Choice of forum" and Item 17.w., "Choice of law," are supplemented by the following:

  If the Franchise Agreement requires (i) litigation to be conducted in a forum other than the State of Illinois, the requirement is void with respect to claims under the Illinois Franchise Disclosure Act ("Act"), provided that the Franchise Agreement may provide for arbitration in a forum outside of Illinois; and (ii) that it be governed by a state's law, other than the State of Illinois, to the extent that such law conflicts with the Act, Illinois law will govern.

- Item 17 is further supplemented by the following:

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

  A franchisee's rights upon termination of an agreement are set forth in section 19 of the Illinois Franchise Disclosure Act.

Each provision of this Amendment to the disclosure document will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently, without reference to this Amendment to the disclosure document and to the extent it is then a valid requirement of the statute.

MARYLAND

STATUTORY AND REGULATORY PROVISIONS AND
REQUIREMENTS OF THE STATE OF MARYLAND APPLICABLE TO THE
FRANCHISE DISCLOSURE DOCUMENT

- Item 17.c., "Requirements for franchisee to renew or extend" and Item 17.m. "Conditions for franchisor approval of transfer" of the disclosure document are amended by the addition of the following:

  Maryland Franchise Registration and Disclosure Law, Section 14-226 prohibits franchisors from, as a condition to the sale of a franchise, requiring a prospective franchisee to agree to a release, assignment, novation, waiver, or estoppel that would relieve a person from liability under, when applicable, the Maryland Franchise Registration and Disclosure Law.

- Item 17 of the disclosure document is amended by the addition of the following paragraphs at the conclusion of the Item:

  Any claims that Franchisee may have under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

  A provision in the Franchise Agreement which terminates the agreement upon your bankruptcy may not be enforceable under federal bankruptcy law, 11 U.S.C. Section 101 et seq.

- Pursuant to the Interpretive Opinion "Adopting NASAA Statement of Policy Regarding the Use of Franchise Questionnaires and Acknowledgments" dated January 23, 2023, issued by the State of Maryland Office of the Attorney General Securities Division (the "Division"), the Division requires franchisors selling franchises that are subject to the Maryland Franchise Registration and Disclosure Law to provide the following legend: "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."

Each provision of this Amendment to the disclosure document will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently, without reference to this Amendment to the disclosure document and to the extent it is then a valid requirement of the statute.

MINNESOTA

STATUTORY AND REGULATORY PROVISIONS AND
REQUIREMENTS OF THE STATE OF MINNESOTA APPLICABLE TO THE
FRANCHISE DISCLOSURE DOCUMENT

The following language is a summary of certain provisions of Minnesota law that may apply to Minnesota franchisees and is intended to amend and supplement Items 6, 13, and 17 of the disclosure document and the Cover Page:

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties, or judgment notes. In addition, nothing in the disclosure document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases): (1) that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement; and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols, or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

- Minnesota considers it unfair to not protect the franchisee's rights to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

Each provision of this Amendment to the disclosure document will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law are met independently without reference to this Amendment to the disclosure document and to the extent it is then a valid requirement of the statute.

NEW YORK

STATUTORY AND REGULATORY PROVISIONS AND
REQUIREMENTS OF THE STATE OF NEW YORK APPLICABLE TO THE
FRANCHISE DISCLOSURE DOCUMENT

- Item 3, "Litigation" of the disclosure document is amended by deleting the last paragraph in that Item and replacing it by the following:

  Other than these actions:

  (1) Neither we, any predecessor, any person identified in Item 2 above, nor any affiliate offering franchises under our principal trademark has pending any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) alleging a violation of any franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable allegations.

  (2) Neither we, any predecessor, any person identified in Item 2 above, nor any affiliate offering franchises under our principal trademark has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-year period immediately preceding the date of this disclosure document, has been convicted of a misdemeanor or pleaded nolo contendere to a misdemeanor charge or been held liable in a civil action by final judgment or been the subject of a material complaint or other legal proceeding if such misdemeanor conviction or charge or civil action, complaint or other legal proceeding involved a violation of any franchise, anti-fraud or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, misappropriation of property or comparable allegations.

  (3) Neither we, any predecessor any person identified in Item 2 above, nor any affiliate offering franchises under our principal trademark is 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 as a result of a concluded or pending action or proceeding brought by a public agency, is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

- Item 4, "Bankruptcy" of the disclosure document is deleted in its entirety and the following language substituted in lieu thereof:

  Neither we, nor any affiliate or predecessor or current officer or general partner have during the 10 year period immediately before the date of this Disclosure Document (a) filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the Bankruptcy Code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position with the company or partnership.

- Item 17.d., “Termination by you” of the disclosure document is amended by the addition of the following:

  To the extent required by the New York General Business Law, you may terminate the Agreement on any grounds available by law.

- Item 17.w., “Choice of law” of the disclosure document is amended by the addition of the following:

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

- Statement of disclosure document accuracy:

  Franchisor represents that this disclosure document does not knowingly omit any material fact or contain any untrue statement of a material fact.

Each provision of this Amendment to the disclosure document will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York General Business Law, Article 33 are met independently, without reference to this Amendment to the disclosure document and to the extent it is then a valid requirement of the statute.

NORTH DAKOTA

STATUTORY AND REGULATORY PROVISIONS AND
REQUIREMENTS OF THE STATE OF NORTH DAKOTA APPLICABLE TO THE
FRANCHISE DISCLOSURE DOCUMENT

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

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

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

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

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

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

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

- Limitation of Claims: Requiring North Dakota franchisees to consent to a limitation of claims under the North Dakota Franchise Investment Law. The statute of limitations under the North Dakota Franchise Investment Law will apply to claims (if any) brought under the North Dakota Franchise Investment Law.

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

2. Any arbitration will be held at a site mutually agreeable to the franchisor and the franchisee.

3. Each provision of this Amendment to the disclosure document will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code, §§ 51-19-1 through 51-19-17, are met independently without reference to this Amendment to the disclosure document and to the extent it is then a valid requirement of the statute.

RHODE ISLAND

STATUTORY AND REGULATORY PROVISIONS AND
REQUIREMENTS OF THE RHODE ISLAND FRANCHISE INVESTMENT ACT
APPLICABLE TO THE FRANCHISE DISCLOSURE DOCUMENT

Item 17, "Renewal, Termination, Transfer, and Dispute Resolution," is amended by the addition of the following paragraph(s) at the conclusion of the Item:

> § 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

This Amendment to the disclosure document will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, are met independently without reference to this Amendment to the disclosure document and to the extent it is then a valid requirement of the statute.

VIRGINIA

STATUTORY AND REGULATORY PROVISIONS AND
REQUIREMENTS OF THE STATE OF VIRGINIA RETAIL FRANCHISING ACT
APPLICABLE TO THE FRANCHISE DISCLOSURE DOCUMENT

- Item 17.h., "'Cause' defined-non-curable defaults" of the disclosure document is modified to include the following:

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

This Amendment to the disclosure document will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Virginia Retail Franchising Act, §§ 13.1-557 through 13.1-574, are met independently without reference to this Amendment to the disclosure document and to the extent it is then a valid requirement of the statute.

WASHINGTON

STATUTORY AND REGULATORY PROVISIONS AND
REQUIREMENTS OF THE STATE OF WASHINGTON APPLICABLE TO THE
FRANCHISE DISCLOSURE DOCUMENT AND ANY RELATED AGREEMENTS

Item 17, "Renewal, Termination, Transfer, and Dispute Resolution," is amended by the addition of the following paragraph(s) at the conclusion of the Item:

- The state of Washington has a statute, the Washington Franchise Investment Protection Act, RCW 19.100.010 to 19.100.940 (the "Act"), which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination, renewal, and transfer of your franchise. There also may be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

- In the event of a conflict of laws, the provisions of the Act will prevail.

- According to a Franchise Act Interpretive Statement adopted by the Washington Department of Financial Institutions (the "DFI"), transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimate or actual costs in effecting a transfer.

- According to a Franchise Act Interpretive Statement adopted by the DFI, in any arbitration involving a franchise purchased in Washington, the arbitration site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator. In addition, only to the extent that 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.

- A release or waiver of rights executed by a franchisee may not include rights under the Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions in the franchise agreement such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act or a franchisee's rights or remedies under the Act may not be enforceable. Attachment 1 to this Washington Amendment includes the sample of our current form of general release language.

- Pursuant to WAC 460-80-325 effective September 18, 2023, the DFI adopted the "NASAA Statement of Policy Regarding the Use of Franchise Questionnaires and Acknowledgments", the DFI requires franchisors selling franchises that are subject to the Act to provide the following legend: "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."

- Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's

earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

Each provision of this Amendment to the disclosure document will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act, RCW 19.100.010 to 19.100.940 are met independently without reference to this Amendment to the disclosure document.

Attachment 1 to Washington Amendment to the FDD

SAMPLE CURRENT FORM OF GENERAL RELEASE LANGUAGE TO BE INCLUDED IN AGREEMENTS SIGNED IN CONNECTION WITH A TRANSFER OF AN EXISTING FRANCHISE

The following is our current general release language, which we expect to require a Franchisee and/or assignor (referred to below as "Assignor") to sign as part of an approved transfer. We have the right to periodically modify the release.

Covenant not to Sue; Release; Waiver.

A. *Covenant not to Sue.* Effective as of the Assignment Effective Date, Assignor, on behalf of itself and its Affiliates and subsidiaries and their respective current and former owners, officers, directors, shareholders, partners, employees, predecessors, successors, attorneys, agents, representatives, and assigns and all other Persons acting on their behalf or claiming under any of them (collectively, the "Assignor Parties"), hereby covenants not to bring any suit, action, or proceeding, or make any demand or Claim of any type, against Franchisor, its Affiliates and subsidiaries, and their respective current and former officers, directors, shareholders, partners, employees, predecessors, successors, attorneys, agents, representatives, and assigns (collectively, the "Franchisor Parties") with respect to, relating to, or in connection with the Assignor Released Claims, as defined below. Any of the Franchisor Parties may plead or assert the covenant not to sue in this Section [_].A. as a complete defense and bar to any Claim brought against any of them in contravention of this Section [_].A. and, if any such Claim is brought against any of them, Assignor will indemnify, defend, and hold harmless any such party from and against any such claim.

B. *Release.* Effective as of the Assignment Effective Date and the Execution Date, Assignor, on behalf of itself and its Affiliates and subsidiaries and their respective current and former owners, officers, directors, shareholders, partners, employees, predecessors, successors, attorneys, agents, representatives, and assigns and all other Persons acting on their behalf or claiming under any of them (collectively, the "Assignor Releasors"), hereby releases, discharges and holds harmless Franchisor, its Affiliates and subsidiaries, and their respective current and former officers, directors, shareholders, partners, employees, predecessors, successors, attorneys, agents, representatives, and assigns (collectively, the "Franchisor Releasees"), from any and all suits, claims, liabilities, demands, promises, obligations, costs, expenses, actions and causes of action of every nature, character and description, in law or in equity, whether presently known or unknown, vested or contingent, suspected or unsuspected, which any of the Assignor Releasors now owns or holds or has previously owned or held or may at any time own or hold against the Franchisor Releasees arising under, in connection with or, related to, or in connection with the Hotel, the Franchise Documents, or the relationship created thereby (the "Assignor Released Claims"). Nothing in this release will affect Assignor's right to make Claims or bring an action for breach of this Consent.

C. *WAIVER*. ASSIGNOR, ON BEHALF OF ITSELF AND THE ASSIGNOR RELEASORS, WAIVES ANY RIGHTS AND BENEFITS CONFERRED BY ANY APPLICABLE PROVISION OF LAW EXISTING UNDER ANY FEDERAL, STATE OR POLITICAL SUBDIVISION THEREOF WHICH WOULD INVALIDATE ALL OR ANY PORTION OF THE RELEASE CONTAINED HEREIN BECAUSE SUCH RELEASE EXTENDS TO CLAIMS WHICH THE ASSIGNOR RELEASORS DO NOT KNOW OR SUSPECT TO EXIST IN THEIR FAVOR AT THE TIME OF EXECUTION OF THIS CONSENT. THIS WAIVER EXPRESSLY INCLUDES ALL RIGHTS UNDER SECTION 1542 OF THE CIVIL CODE OF CALIFORNIA ("SECTION 1542"), WHICH PROVIDES AS FOLLOWS:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR

AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Notwithstanding the provisions of Section 1542 or any similar law of any other state, the release contained in this Section [_].C will constitute a full release with respect to the matters herein released. Assignor, on behalf of itself and the Assignor Releasors, knowingly and voluntarily waives the provisions of Section 1542, and Assignor expressly acknowledges that it intends for the release to include, without limitation, to the fullest extent allowed by law, all claims unknown or unsuspected at the time of execution of this Consent.

For Washington franchisees, the general release language is amended by the addition of the following:

"A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act, RCW 19.100, or any rule or order thereunder except when executed pursuant to a negotiated settlement in connection with a bona fide dispute between a franchisor and a franchisee, arising after the agreement is in effect and where the parties are represented by independent counsel."

EXHIBIT E

STATE AMENDMENTS TO FRANCHISE AGREEMENT

STATE AMENDMENTS TO FRANCHISE AGREEMENT

This exhibit contains amendments to the franchise agreement for the following states:

Hawaii

Illinois

Maryland

Minnesota

New York

North Dakota

Rhode Island

Washington

AMENDMENT TO FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF HAWAII

Franchisor and Franchisee, parties to the attached Franchise Agreement (the "Agreement"), agree as follows:

1. Each provision of this Amendment to the Agreement that relates to the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E, et seq., will be effective only to the extent that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently with respect to each such provision and without reference to this Amendment to the Agreement.

2. Section 26.2 of the Agreement ("Additional Franchisee Acknowledgments and Representations") is supplemented by the following:

> F. The foregoing acknowledgments are not intended to nor will they act as a release, estoppel or waiver of any liability Franchisor may have under the Hawaii Franchise Investment Law and the rules adopted thereunder.

3. Franchisor reserves the right to challenge the applicability of any law that declares provisions in the Agreement void or unenforceable.

IN WITNESS WHEREOF, Franchisor and Franchisee have caused this Amendment to the Agreement to be executed, under seal, as of the Effective Date of the Agreement.

FRANCHISOR:

«FRANCHISOR_LICENSOR»

By: _____(SEAL)
Name:
Title:

FRANCHISEE:

«FRANCHISE_NAME»

By: _____(SEAL)
Name:
Title:

AMENDMENT TO FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, Ill. Comp. Stat. §§ 705/1 to 705/44 (the "Illinois Franchise Disclosure Act" or the "Act"), Franchisor and Franchisee, parties to the attached Franchise Agreement (the "Agreement") agree as follows:

1. Section 2.2 ("Not Renewable") of the Agreement is supplemented by the following:

   If any of the provisions of this Section 2.2 concerning nonrenewal are inconsistent with the provisions of Section 705/20 of the Illinois Franchise Disclosure Act, then such provisions of the Act will apply.

2. Section 19 ("Default and Termination") of the Agreement is supplemented by the following:

   If any of the provisions of this Section 19 governing termination are inconsistent with the provisions of Section 705/19 of the Illinois Franchise Disclosure Act, then such provisions of the Act will apply.

3. Section 24.1 ("Governing Law, Arbitration, and Jurisdiction") of the Agreement is supplemented by the following:

   C. If any of the provisions of this Section 24.l of the Agreement are inconsistent with the provisions of Section 705/4 or 705/41 of the Illinois Franchise Disclosure Act, then such Illinois law will apply to the extent such law is constitutional and the jurisdictional requirements of the Illinois Franchise Disclosure Act (as amended) are met, provided that the Agreement may provide for arbitration in a forum outside of Illinois.

4. Section 24.4 ("WAIVER OF PUNITIVE DAMAGES") and Section 24.5 ("WAIVER OF JURY TRIAL") of the Agreement are supplemented by the following:

   If any of the provisions of this Section of the Agreement are inconsistent with the provisions of Section 705/41 of the Illinois Franchise Disclosure Act, then such provisions of the Act will apply to the extent such law is constitutional and the jurisdictional requirements of the Illinois Franchise Disclosure Act (as amended) are met.

5. Section 26.2 ("Additional Franchisee Acknowledgments and Representations") of the Agreement is supplemented by the following:

   F. If any of the acknowledgments in this Section 26.2 of the Agreement are inconsistent with the provisions of Section 705/41 of the Illinois Franchise Disclosure Act, then such Illinois law will apply to the extent such law is constitutional and the jurisdictional requirements of the Illinois Franchise Disclosure Act (as amended) are met.

6. Each provision of this Amendment to the Agreement will be effective only to the extent that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently with respect to each such provision and without reference to this Amendment to the Agreement.

7. Franchisor reserves the right to challenge the applicability of any law that declares provisions in the Agreement void or unenforceable.

IN WITNESS WHEREOF, Franchisor and Franchisee have caused this Amendment to the Agreement to be executed, under seal, as of the Effective Date of the Agreement.

FRANCHISOR:

«FRANCHISOR_LICENSOR»

By: _____(SEAL)
Name:
Title:

FRANCHISEE:

«FRANCHISE_NAME»

By: _____(SEAL)
Name:
Title:

AMENDMENT TO FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MARYLAND

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, M.D. BUS. REG. CODE ANN. §§ 14-201 *et. seq.* (2010 Repl. Vol. and Supp 2011), Franchisor and Franchisee, parties to the attached Franchise Agreement (the "Agreement"), agree as follows:

1. Section 17.4.A(6) of the Agreement is supplemented by the following:

   The release required as a condition of a transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law to the extent, if any, that a release of such liability would be prohibited under the Maryland Franchise Registration and Disclosure Law at the time the release is provided.

2. The Franchise Agreement is amended to include the following:

   Pursuant to the Interpretive Opinion "Adopting NASAA Statement of Policy Regarding the Use of Franchise Questionnaires and Acknowledgments" dated January 23, 2023 (the "Interpretive Opinion"), issued by the State of Maryland Office of the Attorney General Securities Division (the "Division"), the Division requires franchisors selling franchises that are subject to the Maryland Franchise Registration and Disclosure Law to include the following statement in their franchise agreements: "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."

   Accordingly, (a) Sections 26.2(A), 26.2(B), 26.2(C), and 26.2(D) of this Agreement are deleted in their entirety and shall have no force or effect, and (b) any other statement, questionnaire, or acknowledgment in this Agreement that is not permitted under the Interpretive Opinion is deleted in its entirety and shall have no force or effect.

3. Section 24 of the Agreement is supplemented by the following Section 24.6:

   24.6 **Limitations Period**. Any Dispute arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

4. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently with respect to each such provision and without reference to this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

5. Franchisor reserves the right to challenge the applicability of any law that declares provisions in the Agreement void or unenforceable.

{Signatures appear on following page}

IN WITNESS WHEREOF, Franchisor and Franchisee have caused this Amendment to the Agreement to be executed, under seal, as of the Effective Date of the Agreement.

FRANCHISOR:

«FRANCHISOR_LICENSOR»

By: _____(SEAL)
Name:
Title:

FRANCHISEE:

«FRANCHISE_NAME»

By: _____(SEAL)
Name:
Title:

AMENDMENT TO FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MINNESOTA

In recognition of the requirements of the Minnesota Franchise Act, Minn. Stat. § 80C., and of the Rules and Regulations promulgated thereunder by the Commissioner of Commerce, Franchisor and Franchisee, parties to the attached Franchise Agreement (the "Agreement"), agree as follows:

1. The Commissioner of Commerce for the State of Minnesota requires that certain provisions contained in franchise documents be amended to be consistent with Minnesota Franchise Act, Minn. Stat. Section 80C.01 et seq., and the Rules and Regulations promulgated under the Act (collectively the "Franchise Act"). To the extent that the Agreement and Franchise Disclosure Document contain provisions that are inconsistent with the following, such provisions are hereby amended:

a. Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties, or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

b. With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases): (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement; and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

c. The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols, or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

d. Minnesota considers it unfair to not protect the franchisee's rights to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).

e. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

f. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

g. The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

h. If the franchisee makes any acknowledgments in the franchise agreement or other documents signed in connection with the entering into the franchise agreement relating to facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Franchise Act, such acknowledgments will be void. It is the intent of this provision that any non-waiver provisions of the Franchise Act be satisfied.

2. Each provision of this Amendment to the Agreement will be effective only to the extent that the jurisdictional requirements of the Minnesota Franchise Act are met independently with respect to each such provision and without reference to this Amendment to the Agreement. This Amendment to the Agreement will have no force or effect if such jurisdictional requirements are not met.

3. Franchisor reserves the right to challenge the applicability of any law that declares provisions in the Agreement void or unenforceable.

IN WITNESS WHEREOF, Franchisor and Franchisee have caused this Amendment to the Agreement to be executed, under seal, as of the Effective Date of the Agreement.

FRANCHISOR:

«FRANCHISOR_LICENSOR»

By: _____(SEAL)
Name:
Title:

FRANCHISEE:

«FRANCHISE_NAME»

By: _____(SEAL)
Name:
Title:

AMENDMENT TO FRANCHISE AGREEMENT
FOR THE STATE OF NEW YORK

Franchisor and Franchisee, parties to the attached Franchise Agreement (the "Agreement"), agree to amend the Agreement as follows:

1. The New York Department of Law requires that certain provisions contained in franchise documents be amended to be consistent with New York law, including the New York General Business Law, Article 33, Sections 680 through 695. To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

a. If the Franchisee is required in the Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the General Business Law, regulation, rule or order under the Law, such release will exclude claims arising under the New York General Business Law, Article 33, Section 680 through 695 and the regulations promulgated thereunder, and such acknowledgments will be void. It is the intent of this provision that non-waiver provisions of Sections 687.4 and 687.5 of the General Business Law be satisfied.

b. If the Agreement requires that it be governed by the law of a state, other than the State of New York, the choice of law provision will not be considered to waive any rights conferred on the Franchisee under the New York General Business Law, Article 33, Sections 680 through 695.

2. Each provision of this Amendment to the Agreement will be effective only to the extent that the jurisdictional requirements of the New York General Business Law, with respect to each such provision, are met independently of this Amendment to the Agreement. This Amendment to the Agreement will have no force or effect if such jurisdictional requirements are not met.

3. Franchisor reserves the right to challenge the applicability of any law that declares provisions in the Agreement void or unenforceable.

{Signatures appear on following page}

IN WITNESS WHEREOF, Franchisor and Franchisee have caused this Amendment to the Agreement to be executed, under seal, as of the Effective Date of the Agreement.

FRANCHISOR:

«FRANCHISOR_LICENSOR»

By: _____(SEAL)
Name:
Title:

FRANCHISEE:

«FRANCHISE_NAME»

By: _____(SEAL)
Name:
Title:

AMENDMENT TO FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF NORTH DAKOTA

In recognition of the requirements of the North Dakota Century Code Sections 51-19-01 through 51-19-17 ("North Dakota Franchise Law"), Franchisor and Franchisee, parties to the attached Franchise Agreement (the "Agreement"), agree as follows:

1. The North Dakota Franchise Law prohibits a franchisor from requiring a franchisee to consent to a termination penalty. If the Agreement contains a provision that is inconsistent with the North Dakota Franchise Law, the provisions of the Agreement will be superseded by the North Dakota Franchise Law's requirements and Franchisee will not be deemed to have consented to the calculation of the amount of such damages.

2. Sections 24.4 and 24.5 of the Agreement require Franchisee and Franchisor to waive their respective rights to a jury trial and to claim or receive punitive damages. To the extent such provisions violate the North Dakota Franchise Law, such law will prevail and such provision will not apply with respect to claims thereunder.

3. Section 24.1 of the Agreement requires: (a) the Agreement to be governed and interpreted under Maryland law, (b) certain disputes to be resolved by arbitration in Maryland, and (c) Franchisee to consent to jurisdiction in Maryland. To the extent that such provisions conflict with the North Dakota Franchise Law, the North Dakota Franchise Law will control, and any arbitration or mediation will be held at a site mutually agreeable to the franchisor and the franchisee and may not be remote from the franchisee's place of business, unless otherwise agreed upon by the franchisee.

4. Section 17.4.A(6) of the Agreement requires Franchisee to provide a general release of claims as a condition of a transfer. To the extent that such provision is inconsistent with the North Dakota Franchise Law and such law prevails, such release will exclude only such claims as Franchisee may have that have arisen under the North Dakota Franchise Law to the extent that a release of such claims would be prohibited under the North Dakota Franchise Law at the time the release is provided.

5. The Franchise Agreement is amended to include the following:

In connection with the "NASAA Statement of Policy Regarding the Use of Franchise Questionnaires and Acknowledgments", the North Dakota Insurance & Securities Department requires franchisors selling franchises that are subject to the North Dakota Franchise Law include the following statement in their franchise agreements: "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."

6. Each provision of this Amendment to the Agreement will be effective only to the extent that the jurisdictional requirements of the North Dakota Franchise Law are met independently with respect to such provision and without reference to this Amendment to the Agreement.

7. Franchisor reserves the right to challenge the applicability of any law that declares provisions in the Agreement void or unenforceable.

{Signatures appear on following page}

IN WITNESS WHEREOF, Franchisor and Franchisee have caused this Amendment to the Agreement to be executed, under seal, as of the Effective Date of the Agreement.

FRANCHISOR:

«FRANCHISOR_LICENSOR»

By: _____(SEAL)
Name:
Title:

FRANCHISEE:

«FRANCHISE_NAME»

By: _____(SEAL)
Name:
Title:

AMENDMENT TO FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF RHODE ISLAND

In accordance with the requirements of the Rhode Island Franchise Investment Act, R.I. Gen. Law 19-28.1-1 to 19-28.1-34, Franchisor and Franchisee, parties to the attached Franchise Agreement (the "Agreement"), agree as follows:

1. Section 24.1 of the Agreement is supplemented by the following:

> If any of the provisions of this Section 24.1 of the Agreement are inconsistent with §19-28.1-14 of the Rhode Island Franchise Investment Act, which states that a provision in a franchise agreement restricting jurisdiction or venue to a forum outside the state of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act, then said Rhode Island law will apply.

2. Section 17.4.A(6) of the Agreement requires Franchisee to provide a general release of claims as a condition of a transfer. To the extent that such provision is inconsistent with the Rhode Island Franchise Investment Act and such law prevails, such release will exclude only such claims as Franchisee may have that have arisen under the Rhode Island Franchise Investment Act to the extent that a release of such claims would be prohibited under the Rhode Island Franchise Investment Act at the time the release is provided.

3. Each provision of this Amendment to the Agreement will be effective only to the extent that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently with respect to each such provision and without reference to this Amendment to the Agreement.

4. Franchisor reserves the right to challenge the applicability of any law that declares provisions in the Agreement void or unenforceable.

{Signatures appear on following page}

IN WITNESS WHEREOF, Franchisor and Franchisee have caused this Amendment to the Agreement to be executed, under seal, as of the Effective Date of the Agreement.

FRANCHISOR:

«FRANCHISOR_LICENSOR»

By: _____(SEAL)
Name:
Title:

FRANCHISEE:

«FRANCHISE_NAME»

By: _____(SEAL)
Name:
Title:

AMENDMENT TO FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF WASHINGTON AND ANY RELATED AGREEMENTS

Franchisor and Franchisee, parties to the attached Franchise Agreement (the "Agreement"), agree to amend the Agreement (the "Amendment") as follows:

1. The Director of the Washington Department of Financial Institutions (the "DFI") requires that certain provisions contained in franchise documents be amended to be consistent with Washington law, including the Washington Franchise Investment Protection Act, RCW 19.100.010 to 19.100.940 (the "Act"), which provides certain rights to franchisees, and to disclose certain Franchise Act Interpretive Statements issued by the DFI regarding the Act. In recognition of the Act, the parties agree that:

a. The Act may supersede the provisions in the Agreement relating to Franchisee's relationship with Franchisor, including provisions relating to renewal, termination and transfer of the franchise. If the Agreement contains a provision that is inconsistent with the Act, the Act will control. There also may be court decisions which supersede provisions in the Agreement relating to Franchisee's relationship with Franchisor, including provisions relating to renewal and termination of the franchise.

b. In the event of a conflict of laws (meaning there is a conflict between the Act and a state law of another state designated as governing in the franchise agreement), the provisions of the Act will control.

c. The Act provides that a release or waiver of rights executed by a franchisee may not include rights under the Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the franchise agreement is in effect and where the parties are represented by independent counsel. If there are provisions in the Agreement that unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act, those provisions may not be enforceable.

d. According to a Franchise Act Interpretive Statement adopted by the DFI, transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimate or actual costs in effecting a transfer.

e. According to a Franchise Act Interpretive Statement adopted by the DFI, in any arbitration involving a franchise purchased in Washington, the arbitration site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator. In addition, only to the extent that 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.

f. The acknowledgments in Section 26.2 of the Agreement are not intended to nor will they act as a release, estoppel or waiver of any liability Franchisor may have under the Act and the rules adopted thereunder.

2. The Franchise Agreement is amended to include the following:

Pursuant to WAC 460-80-325 effective September 18, 2023, the DFI adopted the "NASAA Statement of Policy Regarding the Use of Franchise Questionnaires and Acknowledgments", the DFI requires franchisors selling franchises that are subject to the

Act to include the following statement in their franchise agreements: "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."

Accordingly, (a) Sections 26.2(A), 26.2(B), 26.2(C), and 26.2(D) of this Agreement are deleted in their entirety and shall have no force or effect, and (b) any other statement, questionnaire, or acknowledgment in this Agreement that is not permitted under WAC 460-80-325 is deleted in its entirety and shall have no force or effect.

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

4. Each provision of this to the Agreement will be effective only to the extent that the jurisdictional requirements of the Washington law applicable to the provision are met independently of this Amendment to the Agreement. This Amendment to the Agreement will have no force or effect if such jurisdictional requirements are not met.

{Signatures appear on following page}

IN WITNESS WHEREOF, Franchisor and Franchisee have caused this Amendment to the Agreement to be executed, under seal, as of the Effective Date of the Agreement.

FRANCHISOR:

«FRANCHISOR_LICENSOR»

By: _____(SEAL)
Name:
Title:

FRANCHISEE:

«FRANCHISE_NAME»

By: _____(SEAL)
Name:
Title:

EXHIBIT F

AGENTS FOR SERVICE OF PROCESS

AGENTS FOR SERVICE OF PROCESS

The registered agents authorized in various states to receive service of process on our behalf are given below:

CALIFORNIA

Commissioner of Financial Protection and Innovation
Department of Financial Protection and Innovation
320 West Fourth Street, Suite 750
Los Angeles, California 90013-2344
(213) 576-7500 / Toll Free: (866) 275-2677
Email: ASK.DFPI@dfpi.ca.gov
Website: http://www.dfpi.ca.gov

HAWAII

Commissioner of Securities
Department of Commerce & Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

Secretary of State
Franchise Section
302 West Washington, Room E-111
Indianapolis, Indiana 46204
(317) 232-6681

MARYLAND

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020
(410) 576-6360

MICHIGAN

Michigan Attorney General's Office
Corporate Oversight Division, Franchise Section
525 West Ottawa Street
G. Mennen Williams Building, 1st Floor
Lansing, Michigan 48913
(517) 335-7567

MINNESOTA

Commissioner of Commerce
Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1600

NEW YORK

New York Secretary of State
One Commerce Plaza
99 Washington Avenue
Albany, New York 12231
(518) 473-2492

NORTH DAKOTA

North Dakota Securities Commissioner
North Dakota Insurance & Securities Department
600 East Boulevard Avenue, Fourteenth Floor
Bismarck, North Dakota 58505-0510
(701) 328-2910

RHODE ISLAND

Director of Department of Business Regulation
Department of Business Regulation
Securities Division, Building 69, First Floor
John O. Pastore Center
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9527

SOUTH DAKOTA

Division of Insurance
Director of the Securities Regulation
124 South Euclid Avenue, 2nd Floor
Pierre, South Dakota 57501
(605) 773-3563

WASHINGTON

Director of Department of Financial Institutions
Securities Division – 3rd Floor
150 Israel Road, Southwest
Tumwater, Washington 98501
(360) 902-8760

VIRGINIA

Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
(804) 371-9733

WISCONSIN

Division of Securities
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-2139

There may be states in addition to those listed above in which Marriott International, Inc. has appointed an agent for service of process.

EXHIBIT G

STATE REGULATORY AUTHORITIES

STATE REGULATORY AUTHORITIES

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

CALIFORNIA

Commissioner of Financial Protection and Innovation
Department of Financial Protection and Innovation
320 West Fourth Street, Suite 750
Los Angeles, California 90013-2344
(213) 576-7500 / Toll Free: (866) 275-2677
Email: ASK.DFPI@dfpi.ca.gov
Website: http://www.dfpi.ca.gov

HAWAII

Commissioner of Securities
Department of Commerce & Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS

Illinois Office of the Attorney General
Franchise Bureau
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

Secretary of State
Franchise Section
302 West Washington, Room E-111
Indianapolis, Indiana 46204
(317) 232-6681

MARYLAND

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2020
(410) 576-6360

MICHIGAN

Michigan Attorney General's Office
Corporate Oversight Division, Franchise Section
525 West Ottawa Street
G. Mennen Williams Building, 1st Floor
Lansing, Michigan 48913
(517) 335-7567

MINNESOTA

Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1600

NEW YORK

NYS Department of Law
Investor Protection Bureau
28 Liberty St. 21st FL
New York, New York 10005
(212) 416-8222

NORTH DAKOTA

North Dakota Insurance & Securities Department
600 East Boulevard Avenue, Fourteenth Floor
Bismarck, North Dakota 58505-0510
(701) 328-4712

RHODE ISLAND

Department of Business Regulation
Securities Division, Building 69, First Floor
John O. Pastore Center
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9527

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 South 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, Virginia 23219
(804) 371-9051

WASHINGTON

Department of Financial Institutions
Securities Division
P.O. Box 41200
Olympia, Washington 98504-1200
(360) 902-8760

WISCONSIN

Division of Securities
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-2139

EXHIBIT H

LODGING LAWS AND REGULATIONS

LAWS AND REGULATIONS SPECIFIC TO THE LODGING INDUSTRY

1. The state in which you operate may have a regulation prohibiting the overbooking of rooms.

2. Many states have statutes that may limit the amount of money a guest or visitor to a hotel may recover from a hotel for loss of personal property. You must fully comply with the terms of any of those statutes, including the provision of a safe or safe deposit boxes for safekeeping of valuables, to benefit from their protection.

3. State or local statutes may impose certain requirements upon the operator of a hotel when a guest dies in that hotel.

4. The food service operations at your hotel will be regulated by federal, state, and local laws and regulations about health and sanitary conditions when handling foods and beverages. State and local health statutes, regulations, and federal and state Occupational Safety and Health Administration ("OSHA") laws cover cleanliness of utensils and in the preparation and serving of food and beverages. Additionally, state and local health regulations ordinarily include provisions specifically about restaurant and other food service establishments as to sanitation, food storage, cleaning, water supply, sewage, vermin control, toxic materials, personnel, equipment, and maintenance of physical facilities.

5. Some states have adopted truth-in-menu statutes or regulations.

6. Sales of alcoholic beverages are controlled by statutes, rules, and regulations of state, county, or local liquor authorities. State Dram Shop Acts address the liability of servers of alcoholic beverages for injuries caused to third persons by any intoxicated person due to the unlawful selling of alcohol that caused or contributed to the intoxication.

7. State and local laws may require hotels to maintain guest registers. The laws ordinarily require the registers to show guests' names, residences, and dates of arrival and departure. In a few jurisdictions, the registers are required to display the automobile license plate identifications of guests. The registers may have to be retained by the hotel for a specified period of years. A few jurisdictions permit inspections by police or other specified authorities without first obtaining a subpoena or search warrant.

8. States may have laws regarding cleanliness and sizing standards for bedding, sheets, and towels.

9. Your state or local jurisdiction may have statutes or ordinances regarding water safety and swimming pools, aid to choking victims, providing Automated External Defibrillators ("AEDs"), reporting cases of communicable diseases, operating fitness centers, or providing massage therapy or child care services. In addition, the federal law known as Virginia Graeme Baker Pool and Spa Safety Act ("VGBA") applies to swimming pools and whirlpools.

10. Most states and cities require a hotel operator to obtain a license to operate the hotel, a license to sell alcoholic beverages, a license to prepare and sell food, a certificate of occupancy, and a permit for meeting rooms.

11. If your hotel plays live music, or music by means of tape recording or other similar devices, or by rebroadcasting radio music, then you generally have to enter into a license agreement with a copyright association, like ASCAP, BMI or SESAC. Otherwise, the hotel may be liable for infringement of copyright.

12. Hotels generally are subject to many federal, state, and local statutes and regulations about fire safety. These requirements can be found in building codes, multiple dwelling laws, public assembly laws, labor laws, sanitation laws, general business laws, and occupational safety and health laws.

13. Many jurisdictions have hotel room occupancy taxes or other taxes that apply to hotels only.

14. Federal law requires a hotel that has a bar and sells alcoholic beverages to file a special occupational tax registration as a retail dealer in liquors. Your state may impose excise taxes and license fees on the sale of alcoholic beverages.

15. Many states have laws or regulations regarding the disclosure of room rates by posting the rates inside the hotel (for example, on the interior side of the guestroom door) and in advertising.

16. The Americans with Disabilities Act ("ADA") and state and local laws concerning full and equal enjoyment of goods, services, facilities and accommodations for persons with disabilities contain many provisions that specifically address hotels and restaurants and other places of public accommodation. Among other things, the ADA requires you to install lifts for your swimming pools and whirlpools and provide certain information to us regarding your hotel's accessibility and amenities.

17. State common law may impose additional duties on you (such as a duty to receive guests, a duty to use reasonable care to protect the safety of guests or others, and a duty to protect the property of guests or others).

18. Hotels generally are subject to federal and state statutes, regulations and rules relating to data security and data privacy, and data breach notification. The scope and requirements of these laws, regulations, and rules will vary by jurisdiction.

19. Hotels may be subject to state and local laws relating to physical security measures. The scope and requirements of these laws, regulations, and rules will vary by jurisdiction and may include implementation of security plans for your hotel with certain elements, such as associate alert devices.

20. Hotels generally are subject to state and local health statutes, regulations, and federal and state OSHA laws that apply broadly to workplace activities and conditions. Additionally, state and local jurisdictions may impose additional regulations or standards relating to specific aspects of hotel operations, such as setting restrictions on the number of room cleanings per associate.

This listing is intended to give you a sense of the scope of the types of laws, ordinances, and regulations that will or may apply to the operation of your hotel. You should seek the advice of legal counsel to determine the details of the regulations and whether and to what extent they and other regulations will apply to your hotel. In addition, the American Hotel & Lodging Institute publishes Understanding Hospitality Law (Fifth Edition, 2010) by Jack P. Jefferies and Banks Brown, a legal reference book for hotel operators.

EXHIBIT I

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

MIF, L.L.C.

Fiscal Years Ended December 31, 2025, 2024, and 2023

With Report of Independent Auditors

MIF, L.L.C.

Financial Statements

Fiscal Years Ended December 31, 2025, 2024, and 2023

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Shape the future with confidence

Ernst & Young LLP
1775 Tysons Blvd
Tysons, VA 22102

Tel: +1 703 747 1000
Fax: +1 703 747 0100
ey.com

Report of Independent Auditors

We have audited the financial statements of MIF, L.L.C., which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of income, member's equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of MIF, L.L.C. at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025 in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the 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 of 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 for 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 of 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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- 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 audit.

Ernst & Young LLP

Tysons, Virginia
March 26, 2026

MIF, L.L.C.

BALANCE SHEETS

As of December 31, 2025 and 2024

($ in Thousands)

	2025	2024
ASSETS		
Current Assets		
Accounts receivable, net	$ 22,151	$ 11,872
Total current assets	22,151	11,872
Intangible assets, net	42,106	21,637
Due from related parties, net	518,004	443,571
Total assets	$ 582,261	$ 477,080
LIABILITIES AND MEMBER'S EQUITY		
Current Liabilities		
Accounts payable	$ 1,930	$ 967
Deferred income - current portion	2,603	1,741
Total current liabilities	4,533	2,708
Deferred income - non current portion	32,360	8,048
Total liabilities	36,893	10,756
Member's Equity		
Membership interest	20,000	20,000
Note receivable and accrued interest from Member	(7,153)	(6,740)
Retained earnings	453,064	389,234
Current year earnings	79,457	63,830
Total member's equity	545,368	466,324
Total liabilities and member's equity	$ 582,261	$ 477,080

See accompanying notes to financial statements

MIF, L.L.C.
STATEMENTS OF INCOME
For the Periods ended December 31, 2025, 2024, and 2023
($ in Thousands)

	2025	2024	2023
REVENUES			
Franchise fees	$ 95,027	$ 69,954	$ 71,032
Licensing fees and other revenue	2,989	2,026	2,124
Gross fee revenue	98,016	71,980	73,156
Contract investment amortization	(1,417)	(1,203)	(1,225)
Net fee revenues	96,599	70,777	71,931
Cost reimbursement revenue	50,883	32,491	22,486
	147,482	103,268	94,417
OPERATING COST AND EXPENSES			
Related party royalty expense	40,213	26,728	26,748
Amortization and depreciation expense	70	67	67
General, administrative, and other	633	2,417	1,470
Reimbursed expenses	50,944	32,582	22,486
	91,860	61,794	50,771
OPERATING INCOME	55,622	41,474	43,646
Interest income	23,835	22,356	20,511
NET INCOME	$ 79,457	$ 63,830	$ 64,157

See accompanying notes to financial statements

MIF, L.L.C.

STATEMENTS OF MEMBER'S EQUITY

For the Periods ended December 31, 2025, 2024, and 2023

($ in Thousands)

	Membership Interest	Note Receivable and Accrued Interest from Member	Retained Earnings	Total Member's Equity
Balance as of December 31, 2022	20,000	(5,899)	325,077	339,178
Accrued interest receivable	-	(414)	-	(414)
Net income	-	-	64,157	64,157
Balance as of December 31, 2023	20,000	(6,313)	389,234	402,921
Accrued interest receivable	-	(427)	-	(427)
Net income	-	-	63,830	63,830
Balance as of December 31, 2024	20,000	(6,740)	453,064	466,324
Accrued interest receivable	-	(413)	-	(413)
Net income	-	-	79,457	79,457
Balance as of December 31, 2025	$ 20,000	$ (7,153)	$ 532,521	$ 545,368

See accompanying notes to financial statements

MIF, L.L.C.
STATEMENTS OF CASH FLOWS
For the Periods ended December 31, 2025, 2024, and 2023
($ in Thousands)

	2025	2024	2023
OPERATING ACTIVITIES			
Net income	$ 79,457	$ 63,830	$ 64,157
Adjustments to reconcile to cash provided by operating activities:			
Amortization, depreciation and other (including amortization classified in cost reimbursement revenue)	1,487	1,270	1,292
Accounts receivable	(10,279)	(1,990)	(1,196)
Due from related parties	(74,433)	(66,581)	(61,623)
Accounts payable	963	(45)	(1,221)
Deferred income	25,174	4,010	(1,506)
Contract acquisition costs	(21,956)	(67)	511
Interest receivable	(413)	(427)	(414)
Net cash provided by operating activities	-	-	-
INVESTING ACTIVITIES			
Net cash provided by investing activities	-	-	-
FINANCING ACTIVITIES			
Net cash provided by financing activities	-	-	-
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	-	-
CASH AND CASH EQUIVALENTS, beginning of period	-	-	-
CASH AND CASH EQUIVALENTS, end of period	$ -	$ -	$ -

See accompanying notes to financial statements

1. Description of Business

MIF, L.L.C. ("we" or the "Company") was formed on March 20, 2012, and is incorporated as a limited liability company ("LLC"), in the state of Delaware. The Company's sole member is Marriott International, Inc. ("Marriott" or the "Parent"). Upon the completion of its franchise disclosure document in 2012, the Company began offering franchises as a unit franchised business. Using the Marriott name, designs, and systems, licensed from Marriott, the Company sells Marriott-branded products and other items across various locations in the United States of America.

The Marriott franchise system is characterized by certain patents, trademarks, logos, operating systems, operating manuals, training, and distinctive hotel design and color schemes, and includes materials and methods for marketing and selling Marriott branded products and other products.

During the years ended December 31, 2025, 2024, and 2023, the Company transferred two, three, and nine franchise agreements to Marriott, respectively.

During the year ended December 31, 2025, the Company acquired and relicensed 236 franchise agreements from Marriott and its wholly owned subsidiary. In addition, the Company entered into a substantial number of new franchise agreements during 2025.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements present the results of operations, financial position, and cash flows of the Company in accordance with generally accepted accounting principles in the U.S. ("U.S. GAAP"). Preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements, the reported amounts of revenues and expenses during the reporting periods, and the disclosures of contingent liabilities. Accordingly, ultimate results could differ from those estimates.

Revenue Recognition and Cost Reimbursements

Our revenues primarily include franchise fees, licensing fees, and cost reimbursements. For our franchised properties, we have a performance obligation to provide franchisees a license to our intellectual property for use of certain of our brand names. As compensation for such services, we are typically entitled to initial application fees and ongoing royalty fees. Our ongoing royalty fees represent variable consideration, as the transaction price is based on a percentage of certain revenues of the properties, as defined in each contract. We recognize royalty fees on a monthly basis over the term of the agreement as those amounts become payable. Initial application and relicensing fees are fixed consideration payable upon submission of a franchise application or renewal and are recognized on a straight-line basis over the initial or renewal term of the franchise agreements.

Under our franchise agreements, franchisees participate in certain centralized programs and services, such as marketing, sales, reservations, and insurance programs, which Marriott operates for their benefit. These programs and services do not generate a profit over the long term, and accordingly, when we recover the costs incurred for these programs and services from our franchisees, we do not seek a mark-up. The amounts we charge for these programs and services are generally a combination of fixed fees and variable fees based on sales or other metrics and are payable on a monthly basis. We recognize revenue within the "Cost reimbursement revenue" caption of our Income Statements when the amounts may be billed to franchisees, and we recognize expenses within the "Reimbursed expenses" caption as they are incurred, which is simultaneous.

2. Summary of Significant Accounting Policies (continued)

Contract Balances

We generally receive payments from customers as we satisfy our performance obligations. We record a receivable when we have an unconditional right to receive payment and only the passage of time is required before payment is due. We record deferred income when we receive payment, or have the unconditional right to receive payment, in advance of the satisfaction of our performance obligations, primarily related to franchise application and relicensing fees. Our current and non-current deferred income increased by $25,174, primarily as a result of significant relicensing conversions from managed to franchised agreements. The increase was partially offset by revenue recognized of $1,790 that was deferred as of December 31, 2024.

Costs Incurred to Obtain Contracts with Customers

We incur certain costs to obtain contracts with customers, which we capitalize and amortize on a straight-line basis over the initial, non-cancellable term of the contract. We classify incremental costs of obtaining a contract with a customer in the "Intangible assets, net" caption of our Balance Sheets, the related amortization in the "Contract investment amortization" caption of our Income Statements, and the cash flow impact in the "Amortization, depreciation and other" and "Contract acquisition costs" captions of our Statements of Cash Flows. See Footnote 3. Intangible Assets for information on capitalized costs incurred to obtain contracts with customers.

Related Party Transactions

Related party transactions are the result of transactions with Marriott and its subsidiaries. Transactions are classified as current or non-current assets and liabilities depending on the original maturity terms of the transaction. Non-current assets and liabilities are transactions with original maturities greater than one year. Transactions with related party entities resulting in both receivables from and payables to an individual related party entity as of the balance sheet date are presented on a net basis. Due from related parties, net for the years ended December 31, 2025 and 2024, was $518,004 and $443,571, respectively. The related party transactions are classified as non-current.

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The related party transactions incurred interest at rates of 5.0%, 5.5%, and 6.0% for 2025, 2024, and 2023, respectively, based on the Internal Revenue Service short-term applicable federal rate. Interest income, excluding interest related to notes receivable, for the years ended December 31, 2025, 2024, and 2023 was $23,422, $21,929, and $20,097, respectively.

2. Summary of Significant Accounting Policies (continued)

The financial statements include an allocation of costs that are necessary to operate MIF, L.L.C. as if it were a stand-alone business. Payments for Marriott corporate administrative services on hotel development, hotel brand management, and internal and external professional services (treasury, legal, accounting, finance, human resources, and tax) are allocated and charged to the Company based on its proportional share of domestic administrative costs, which is determined by the percentage of domestic revenue earned by Marriott. The Company is charged a 1% markup on the final allocated amount. The Company believes the proportional cost allocation is an appropriate method of allocating costs from its Parent. Corporate allocation costs for the years ended December 31, 2025, December 31, 2024, and December 31, 2023 was $1,099, $1,712, and $1,284, respectively.

Royalties for licensing of the Marriott franchise system are charged to the Company at a rate of 2% of the underlying franchised properties' gross room revenue, and food and beverage revenue for full-service hotels. Additionally, the Company is subject to a charge equal to 98% of the net revenue collected from franchise fees related to the legacy Starwood brands. Other transactions with related parties predominantly include acquisitions of intangible assets, which were exchanged at Marriott's net book value of the underlying asset on the date of the acquisition, and other transactions carried out on a cost reimbursement basis.

On April 2, 2012, the Company was capitalized with a $20,000 note receivable (the "Note") from the Parent. The Note has no maturity but is due and payable on demand by the Company. The interest rate is adjusted annually on January 1 of each year to equal the greater of zero or twelve-month Term Secured Overnight Financing Rate ("SOFR") plus an adjustment spread (71.513 basis points) plus 125 basis points. The Note bears interest at approximately 6.13% and 6.76% for 2025 and 2024, respectively.

Cash and Equivalents

We consider all highly liquid investments with an initial maturity of three months or less at date of purchase to be cash equivalents. At December 31, 2025 and 2024, the Company does not have a cash balance. Transactions, substantially all of which are with the Parent, are recorded through related party receivable and payable accounts.

2. Summary of Significant Accounting Policies (continued)

Impairment

We evaluate an intangible asset for impairment when changes in circumstances indicate that we may not be able to recover the carrying value; for example, when there are material adverse changes in projected revenues or expenses, significant underperformance relative to historical or projected operating results, or significant negative industry or economic trends. If indicators of impairment are identified, we test the intangible asset for impairment by comparing its carrying value to the consideration that we expect to receive in the future and that we have received but have not recognized as revenue, in exchange for the goods or services to which the asset relates ("the future consideration"), less the costs that relate directly to providing those goods or services and that have not been recognized as expenses. If the comparison indicates that the carrying value of the asset is greater than the future consideration less the related expenses, we recognize an impairment loss for the difference. No impairment charges have been recorded during the years ended December 31, 2025, 2024, or 2023.

Receivables

The Company's receivables balance consists of current trade receivables. Trade receivables are carried at amortized cost less an allowance for credit losses. The Company's allowance for credit losses is measured over the contractual life of the instrument based on an assessment of historical collection activity and current and forecasted future economic conditions. Our allowance for credit losses was $827 at December 31, 2025 and $1,466 at December 31, 2024.

Legal Contingencies

We are subject to various legal proceedings and claims, the outcomes of which are subject to significant uncertainty. We record an accrual for legal contingencies when we determine that it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. In making such determinations we evaluate, among other things, the probability of an unfavorable outcome and, when it is probable that a liability has been incurred, our ability to make a reasonable estimate of the loss. We review these accruals each reporting period and make revisions based on changes in facts and circumstances. There were no accruals related to legal contingencies at December 31, 2025 and 2024, respectively.

2. Summary of Significant Accounting Policies (continued)

Income Taxes

The Company is an LLC and under the existing provisions of the Internal Revenue Code and applicable state tax law, income and losses of the LLC flow through to the member of the LLC; accordingly, no provision for federal and state income taxes has been provided for in the accompanying financial statements of the Company.

New Accounting Standards

We do not expect that accounting standards updates issued to date and that are effective after December 31, 2025 will have a material effect on our financial statements.

3. Intangible Assets

The following table details the composition of our intangible assets:

	2025	2024
Costs incurred to obtain contracts with customers	$ 55,284	$ 31,016
Other contract intangibles	1,764	1,764
	$ 57,048	$ 32,780
Accumulated amortization	(14,942)	(11,143)
	$ 42,106	$ 21,637

We capitalize only incremental costs that Marriott incurs on our behalf to acquire franchise and license agreements, which we reimburse through a related party payable. We record these costs incurred to obtain contracts with customers within the "Intangible assets, net" caption of our Balance Sheets. We amortize these costs on a straight-line basis over the initial term of the underlying agreements, ranging from 10 to 30 years, in the "Contract investment amortization" and "Cost reimbursement revenue" captions of our Income Statements.

In 2019, the Company recorded intangible assets of $1,764 related to its Parent's acquisition of its partner's remaining interest in a joint venture. We amortize the acquired intangible assets on a straight-line basis over the remaining term of the underlying agreements and record the expense in the "Amortization and depreciation expense" caption of our Income Statements. The Company derecognized the carrying amount of all previously capitalized costs incurred to obtain these contracts of $3,105. For these acquired definite-lived intangible assets, our estimated aggregate amortization expense for each of the next five fiscal years through December 31, 2030, will be approximately $67.

4. Subsequent Events

The Company has evaluated subsequent events for recognition and disclosure through March 26, 2026, the date of these financial statements and determined there were no recognized or unrecognized events that would require an adjustment or additional disclosure as of December 31, 2025.

EXHIBIT J

MANUALS, STANDARDS, AND RESOURCES

MANUALS, STANDARDS AND RESOURCES – THE LUXURY COLLECTION

(as described in Item 11 of the Disclosure Document)

Standards

Standards are made available to you through an online resource. This resource contains a complete listing of standards for hotels in The Luxury Collection system. The resource contains approximately 700 pages of information concerning the following subjects:

- Global Design
- Brand Programs
- Brand Identity/Voice and Brand Collateral
- Communications
- Engineering
- Event Management
- Finance and Accounting
- Fitness Center & Recreation
- Food and Beverage
- Front Office
- Golf
- Housekeeping
- Human Resources
- Loyalty Program – Marriott Bonvoy
- Quality Assurance
- Marketing
- Mobile
- OS&E Requirements
- Pre-Opening Countdown Process
- Retail
- Rewards
- Risk Management
- Sales, Marketing and Revenue Management
- Service Culture
- Spa
- Vendor Diversity and Sustainability
- Technology
- Training

Resource Specific to Conversions and New Property Openings

An online resource is available to you for specific information related to converting or opening a new hotel property. Users can locate information about:

- Opening Guidelines: Timelines, Critical Path Checklists
- Operations: Resource Order Form, Opening Requirements, OS&E
- Sales and Marketing: MARSHA Training, Grand Opening Guide
- Training: Culture Orientation, Required Training, Training Snapshot
- Global Design, Interior Design, Procurement, Interior Graphics & Exterior Signage

Architecture and Construction

A comprehensive, detailed online guide for all pertinent Architecture and Construction (A&C) documents is available on LOBO for all hotels in The Luxury Collection system. The guide is filled with information relating to the design and construction of hotels in The Luxury Collection system and acts as a resource for all applicable personnel involved in the conversion or development of a hotel in The Luxury Collection system.

EXHIBIT K

SERVICE AGREEMENTS

Electronic Funds Transfer Authorization Form

This form authorizes Marriott International, Inc. and its Affiliates to use the banking information provided below in accordance with the terms of the Franchise Agreement related to the property identified below (the "Franchise Agreement").

Customer Information	
Property Name:	
Marriott Operating Unit (OU):	
Marriott MARSHA Code:	
Management Company:	
Street Address:	
Line 2, or PO Box:	
City, State:	
Zip Code:	

Bank Information	
Bank Name:	
Bank Routing # (bank may provide specific number for ACH):	
Bank Account #:	
Name on Account:	
Bank Address:	
Line 2, or PO Box:	
Bank City, State:	
Bank Zip Code:	

Enrollment Options :	
Email Address to Receive Payment Advice (Remittance):	
Invoices to Pay Each Month (All Invoices or CTAC Only):	
Combine payments across customers into one withdrawal from the bank account noted(available only when bank information and email address match):	
If yes, please list the additional customers:	

Name of person completing this form:	
Title:	
Phone Number:	
My bank has been notified that Marriott International is authorized to debit our account:	
Date (MM/DD/YYYY):	

I hereby authorize Franchisor and its Affiliates to debit the checking/savings account identified above in order to pay the selected invoices in accordance with the terms of the Franchise Agreement and any applicable Marriott Agreement, and if necessary, to initiate adjustments for any transactions debited in error. These debits are related to the operation of the Hotel and the amount of each debit will vary from month to month. This authorization will remain in full force and effect until termination or expiration of the Franchise Agreement or until Franchisor has received written notification of an alternate means of payment acceptable to Franchisor. All capitalized terms not defined in this Electronic Funds Transfer Authorization Form have the meaning stated in the Franchise Agreement.

Authorized Individiual Signature _____

Payment Schedule:

All Invoices:	Paid Monthly	Remittance Sent 13th Day of Month	ACH Withdrawal 20th Day of Month
CTAC Only:	Paid Bi-Weekly	Remittance Every Other Thursday	ACH Withdrawal Every Other Tuesday

«MARSHA»

«Property_Name» «BACRO»
Attn: General Manager
«Address»
«City», «StateProvince» «Postal_Code»

Greetings! We look forward to our partnership with you and the hotel in 2026!

With this letter, you will find the 2026 consulting agreement, the cost for 2026 as well as our service specifications. As noted in your commitment form, it is mandatory that your hotel leverages the One Yield system functionality in partnership the services of Marriott's Revenue Management Advisory Services.

Please review the documents and if you agree with the terms please electronically sign this document.

If you have any questions or concerns, please do not hesitate to contact Angela Davis.

Again, we look forward to partnering with you in 2026 and look forward to a prosperous year.

Sincerely,

Angela Davis
Area Director Operations, Revenue Management Advisory Services
RMAS@marriott.com

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TRADITIONAL REVENUE MANAGEMENT CONSULTING AGREEMENT

THIS TRADITIONAL REVENUE MANAGEMENT CONSULTING AGREEMENT ("Agreement") is made and entered into this 1st day of January, 2026 ("Commencement Date") By and between «Current_Franchisee_Account_Name» ("Franchisee"), and Marriott International Administrative Services, Inc. ("Franchisor").

RECITALS:

WHEREAS, Franchisor and Franchisee are parties to a Franchise Agreement (as it may be amended, modified, supplemented or restated from time to time, the "Franchise Agreement"), which granted Franchisee the non-exclusive right and franchise to operate the «Property_Name» «BACRO» hotel located at «Address», «City», «StateProvince» «Postal_Code» (the "Hotel");

WHEREAS, Franchisor provides certain revenue management services to certain franchisees of its hotels for a fee;

WHEREAS, Franchisee desires that Franchisor provide certain revenue management services to Franchisee with respect to the Hotel; and

WHEREAS, Franchisor desires to provide certain revenue management services to Franchisee with respect to the Hotel, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby specifically acknowledged, the parties agree as follows:

1. **Scope of Services.** Franchisor shall provide the revenue management services set forth on Schedule "A" attached hereto and made a part hereof (the "Services") to Franchisee with respect to the Hotel. If the hotel did not participate in Franchisor's revenue management services in 2025, Franchisor shall provide the set-up services described in Schedule C, for the fee set forth in Schedule C. The set-up services shall otherwise be deemed part of the "Services" for purposes of this Agreement. Franchisor's personnel who assist in providing the Services shall be qualified in and dedicated to revenue management. Both parties acknowledge and agree that Franchisee is under no obligation to comply with any recommendations made by Franchisor in connection with this Agreement, including but not limited to recommendations regarding pricing, inventory, room allocation or rate allocation. Franchisee expressly reserves the right to make, and is ultimately responsible for, any and all decisions relating to pricing, rate allocation and all other revenue management issues. Nothing contained herein should be considered a representation or warranty by Franchisor that compliance with any recommendations made by Franchisor in connection with this Agreement, including but not limited to recommendations regarding pricing, inventory, room allocation or rate allocation will produce, increase or optimize profits of Franchisee.

2. **Confidentiality.** Franchisee shall not, during the term of this Agreement or thereafter, without Franchisor's prior written consent, which consent may be granted or withheld in Franchisee's sole discretion, communicate, transmit, divulge, copy, duplicate, record, or otherwise reproduce, or use for the benefit of any third party or business other than the Hotel, in

Marriott

CONFIDENTIAL & PROPRIETARY INFORMATION

whole or in part, any documentation, software or other confidential information, knowledge, or know-how associated with the Services provided under this Agreement which may be communicated or provided to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's operation under this Agreement, or otherwise make the same available to any unauthorized person. Franchisee shall divulge such information only to such of Franchisee's employees or agents as must have access to it in order to operate the Hotel; all other persons shall be deemed "unauthorized" for purposes of this Agreement. All such information, including without limitation, aggregated, anonymized market data and recommendations by Franchisor regarding rates, pricing, inventory, room allocations and rate allocations, is confidential and provided by Franchisor to Franchisee solely for the purposes of operating the Hotel, and Franchisee expressly acknowledges that such information shall not be used or considered in any respect by the Franchisee in reaching decisions for any other hotels owned, operated or franchised by the Franchisee. Franchisee further acknowledges that it will not divulge to Franchisor any confidential information, including business strategies or pricing, about non-Marriott properties that Franchisee owns, operates, or franchises. The information that is the subject of this Section 2 shall be deemed "Confidential Information" for purposes of the Franchise Agreement. The obligations of Franchisee under this Section 2 shall survive the termination of this Agreement.

3. **Extra Services.** Any services not included in the Services shall be performed by Franchisor only when requested by Franchisee in writing and specifically agreed to by Franchisor. Any additional cost or fees to be paid for such extra services shall be agreed to in writing by both parties.

4. **Term and Termination.** The initial term of this Agreement shall begin on the Commencement Date and shall expire either (1) December 31 of that same year, if the Commencement Date is between January 1st and June 30, or (2) December 31 of the next year, if (a) the Commencement Date is between July 1 and December 31, or (b) the Hotel goes through The Power of M transition (the "Transition") between the Commencement Date and December 31 of the same year. By way of example, if the Commencement Date is February 1, 2026, and the Hotel is not scheduled to go through the Transition in 2026, the initial term will expire on December 31, 2026; if the Commencement Date is February 1, 2026, and the Hotel is scheduled to go through the Transition in 2026, the initial term will expire on December 31, 2027; if the Commencement Date is November 1, 2026, the initial term will expire December 31, 2027, regardless of when the Hotel is scheduled to go through the Transition. After the initial term, this Agreement shall automatically renew for successive terms of one calendar year each unless either party provides written notice of non-renewal at least ninety (90) days in advance of the expiration of the then-current term. In addition, after the initial term, Franchisee shall have right to terminate this Agreement by providing written notice of such termination to Franchisor within thirty (30) days after receipt of notice of an increase in the fee Franchisor charges for the Services, if such fee increases by more than ten percent (10%) from the prior calendar year, such termination to be effective as of the later of (i) the effective date of the fee increase, or (ii) thirty (30) days after such notice of termination is delivered to Franchisor. In the event that Franchisee fails to make any payments required to be made to Franchisor hereunder, which is not cured within ten (10) business days after receipt of notice of non-payment, Franchisor shall have the right to terminate this Agreement upon notice to Franchisee. In addition, if the Franchise Agreement is terminated for any reason during the term of this Agreement, this Agreement shall terminate at the same time as the Franchise Agreement is terminated; provided that if the Franchise Agreement is terminated and a new franchise agreement is entered (with Franchisee or another person or entity) with respect

to the Hotel, this agreement shall be assigned to and assumed by the new franchisee and Franchisee will cause the new franchisee to execute any acknowledgements reasonably requested by Franchisor to signify its agreement to be bound by the provisions of this Agreement. Except as otherwise provided in this Section 4, a party shall have the right to terminate this Agreement if the other party materially breaches this Agreement and fails to remedy such breach within thirty (30) days after receipt of written notice thereof specifying the nature of such breach. The rights of termination under this Section 4 are in addition to whatever rights the non-defaulting party may have at law or in equity; provided that, in no event shall Franchisor be liable to Franchisee in an amount greater than the amounts previously paid by Franchisee for the Services giving rise to the liability.

5. **Fee.** Franchisor will charge Franchisee a fee for each month on the first day of the month for the Services as set forth in Schedule "B" to this Agreement, which shall be pro-rated for any partial month for which the Services are performed. Franchisee agrees to pay such fees to Franchisor within fifteen (15) days of receipt of an invoice therefore. In addition, if the Hotel did not participate in Franchisor's revenue management services during 2025, Franchisor will provide the set-up services described in Schedule C to this Agreement and charge Franchisee the one-time fee set forth in Schedule C. This one-time fee shall be due in full 60 days after the Commencement Date. Finally, Franchisor will charge Franchisee for revenue management deployment activities related to Franchisor's digital technology transformation, which is be detailed in Schedule "D" to this Agreement. Franchisee will pay these fees in two (2) installments within fifteen (15) days of receipt of an invoice therefore. Any payments not actually received by Franchisor on or before the due date shall be deemed overdue. Franchisor may modify the fee effective as of the beginning of any renewal term, subject to Franchisee's right to terminate this Agreement discussed in Section 4, above.

6. **Indemnification.** Franchisee agrees to defend, indemnify and hold harmless Franchisor its affiliates, and each of their officers, directors, agents and employees, from and against any and all actions, costs, claims, losses, expenses and/or damages, including attorney's fees, arising out of or resulting from the performance of the Services. The obligations of Franchisee under this Section 6 shall survive the termination of this Agreement.

7. Reserved.

8. **Limited Delegation of Authority**. In order to efficiently and effectively manage room inventory consistent with the interests of Franchisee, Franchisee appoints Franchisor as its limited agent with authority to take such actions as set forth in the "Inventory Management" portion of Schedule "A" ("Inventory Management Actions') as Franchisor deems appropriate. Franchisee expressly reserves the right to override any Inventory Management Actions taken by Franchisor. In periodic revenue management meetings (each a "Consultation"), Franchisee shall communicate to Franchisor any concerns with respect to Inventory Management Actions taken by Franchisor since the last Consultation, and shall provide to Franchisor specific guidance for taking future Inventory Management Actions. In the absence of explicit disapproval at a Consultation, Franchisee shall be deemed to have approved and authorized all Inventory Management Actions taken by Franchisor after the previous Consultation.

9. **Independent Contractor.** This Agreement does not create a fiduciary relationship between Franchisor and Franchisee. All persons employed to furnish the Services are employees of Franchisor and not of Franchisee. As authorized by Franchisee, Franchisor shall perform the

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Services as an independent contractor, except that Franchisor may act on Franchisee's behalf when taking Inventory Management Actions. When Franchisor acts for Franchisee as set forth in the preceding clause, Franchisee retains all risk of loss for unsold or cheaply sold inventory.

10. **Assignment.** This agreement may not be assigned by Franchisee in whole or part without the prior written consent of Franchisor which will not be unreasonably withheld. Franchisor shall have the right to transfer this Agreement to any person or entity without prior notice to, or consent of, Franchisee, provided the transferee assumes Franchisor's obligations to Franchisee under this Agreement. Franchisee hereby acknowledges and agrees that any such transfer by Franchisor shall constitute a release and novation of Franchisor with respect to this Agreement.

11. **Notices.** Notices, requests, demands and other communication hereunder shall be in writing and shall be forwarded by registered or certified mail as follows:

12. **Entire Agreement.** This Agreement contains the entire agreement between the parties with respect to its subject matter, superseding any prior agreements and writings, and it may not be changed other than by an agreement in writing signed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement the day and year first above written.

I am authorized to make commitments on behalf of the property owner or franchisee noted in Hotel Agreement. By electronically signing The Traditional Revenue Management Consulting Agreement I acknowledge the enrollment in the Revenue Management services selected; the terms contained, including the autorenewal terms; and the payment terms. The contents of this document are confidential and proprietary to Marriott International, Inc. and may not be reproduced, disclosed, distributed or used without the express permission of an authorized representative of Marriott. Any other use is expressly prohibited.

Franchisee:

«Current_Franchisee_Account_Name»

By:

Title:

Date:

FRANCHISOR:
MARRIOTT INTERNATIONAL
ADMINISTRATIVE SERVICES, INC

By: _____
Revenue Management – RMAS

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Schedule A
Revenue Management Advisory Services
Tier III 2026

TIER III – RMAS SERVICE TIER OFFERING

Tier III is available primarily to all hotels **with CI/TY**, **Core FS hotels**, or **Dynamic MSB hotels** who require an additional level of time spent on Revenue Management activities due to brand, market demand, group mix, number of hotel rooms or complexity of room pools. RMAS will leverage systems efficiency and provide weekday pricing and inventory support. Advisory Complex Business evaluation is available for MSB hotels. A weekly **60-minute strategy review call** is included and rotates between the four themes below with a more in-depth monthly group strategy packet. **Weekend Support** offered for an additional fee.

Market Demand	No. Rooms	Group Mix	No. Room Pools	Citywide Demand	Special Event Demand
MSB – High FS – Med	>300	MSB >20% FS <20%	MSB >5 FS <10	Low-Med	All

RMAS Provides Every Week:	Weekly Theme Rotation	Included with Weekly Theme
Transient: ✓ Weekly strategy meeting ✓ State of the art sales strategy packet ✓ Manage Inventory & Pricing (One Yield) ✓ Rate Loading (HPP) ✓ Parity research ✓ Emergency coverage for unexpected catastrophic events ✓ **Projections** (Monthly) ✓ **Additional Time Spent from Tier II** Group: ✓ Maintain Monthly Group Theme offerings ✓ Complex Business Evaluation: Advisory Only (MSB Brands) ✓ **Monthly Group Strategy Overview** • **Group Pace** • **Manage GPO (SFAWeb/CITY Hotels)** • **Group Reporting**	Month End Review	✓ Review rooms sold, demand and ADR by segment ✓ Segment strategy review and recommendations ✓ Monthly STR report review ✓ Review monthly performance vs budget
	Group Focus	✓ Group Strategy Packet & Overview ✓ **Review group need times** ✓ Review upcoming group blocks ✓ **Maintain GPO per brand timeline guidelines**
	Forecast	✓ Review current year rooms revenue forecast ✓ Review projection risk – gap to projection ✓ **Complete group to-be forecast (minimum 24 months)**
	Retail Rate Analysis	✓ Retail rate review through KDATE ✓ Discuss retail rate opportunities ✓ Review Tier pricing strategy (Longer Stay Brands)

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Schedule B
2026 Cost Matrix
Revenue Management Advisory Service

2026 Cost for Tier III

Annual Fee for 2026 of: **$38,808.96 / $42,538.03 CAD for Tier III Services**

The fee is billed in equal payments of $3,234.08 USD / $3,544.84 CAD per month.

2026 Cost for Weekend & Holiday Extended Hours Support (if applicable)
(Formerly known as Extended Hours Support)

Annual Fee for 2026 of: **$1,052.64 USD Tier I Extended Hours Support**

The fee for the 2026 Extended Hours will be $87.72 USD which is billed monthly.

2026 Cost for 7-Day Extended Hours Support (if applicable)

Annual Fee for 2026 of: **$2,435.76 USD Tier II Extended Hours Support**

The fee for the 2026 7-Day Extended Hours will be $202.98 USD which is billed monthly.

**Annual RMAS costs will be allocated equally to all participating properties and trued up, annually. True up not to exceed 10% of annual cost.

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Schedule C
2026 One-Time Set-Up Fee
Revenue Management Advisory Services

If the Hotel did not participate in Franchisor's revenue management services during 2025, Franchisor will provide the set-up services described in this Schedule C and charge Franchisee the one-time fee described below. A new-build hotel or a hotel recently converted to a Marriott-brand franchised hotel will not be assessed this fee if the Franchisee signed a letter of intent more than 60 days prior to opening. The fee shall be due in full 60 days after the Commencement Date.

Set-Up Services & Fees

The Revenue Management team will conduct a systems diagnostic audit. The set-up cost for each hotel is $3,500 USD. Key elements of the fee include the One Yield 5 step inventory process, rate program reviews, special event set up, review of RPO comp set, Super Nova rate parity, High Performance Pricing set up, and eFast set up.

The audit will include:

- Systems Diagnostic Audit report with findings and recommendations
- 60-minute meeting to review findings & recommendations
- Execution of all agreed upon changes to hotel systems.

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Schedule D
Power of M Transition Fees
Revenue Management Advisory Services

Franchisees will incur a one-time charge in the amount of $2,700 that covers the incremental effort for the execution and support of revenue management deployment activities that are not included in the current scope of service deliverables. This charge is distinct from existing Shared Services rates and separate from the CMDL charge and will be billed in two installments, one three months prior to cutover, and one three months post cutover.

Billing Structure:

- First Installment ($1,350): Billed 3 months before the Hotel begins receiving services
- Second Installment ($1,350): Billed 6 months after the First Installment is billed (i.e., 3 months after services begin)

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«MARSHA»

«Property_Name» «BACRO»
Attn: General Manager
«Address»
«City», «StateProvince» «Postal_Code»

Greetings! We look forward to our partnership with you and the hotel in 2026!

With this letter, you will find the 2026 consulting agreement, the cost for 2026 as well as our service specifications. As noted in your commitment form, it is mandatory that your hotel leverages the One Yield system functionality in partnership the services of Marriott's Revenue Management Advisory Services.

Please review the documents and if you agree with the terms please electronically sign this document.

If you have any questions or concerns, please do not hesitate to contact Angela Davis.

Again, we look forward to partnering with you in 2026 and look forward to a prosperous year.

Sincerely,

Angela Davis
Area Director Operations, Revenue Management Advisory Services
RMAS@marriott.com

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TRADITIONAL REVENUE MANAGEMENT CONSULTING AGREEMENT

THIS TRADITIONAL REVENUE MANAGEMENT CONSULTING AGREEMENT ("Agreement") is made and entered into this 1st day of January, 2026 ("Commencement Date") By and between «Current_Franchisee_Account_Name» ("Franchisee"), and Marriott International Administrative Services, Inc. ("Franchisor").

RECITALS:

WHEREAS, Franchisor and Franchisee are parties to a Franchise Agreement (as it may be amended, modified, supplemented or restated from time to time, the "Franchise Agreement"), which granted Franchisee the non-exclusive right and franchise to operate the «Property_Name» «BACRO» hotel located at «Address», «City», «StateProvince» «Postal_Code» (the "Hotel");

WHEREAS, Franchisor provides certain revenue management services to certain franchisees of its hotels for a fee;

WHEREAS, Franchisee desires that Franchisor provide certain revenue management services to Franchisee with respect to the Hotel; and

WHEREAS, Franchisor desires to provide certain revenue management services to Franchisee with respect to the Hotel, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby specifically acknowledged, the parties agree as follows:

1. **Scope of Services.** Franchisor shall provide the revenue management services set forth on Schedule "A" attached hereto and made a part hereof (the "Services") to Franchisee with respect to the Hotel. If the hotel did not participate in Franchisor's revenue management services in 2025, Franchisor shall provide the set-up services described in Schedule C, for the fee set forth in Schedule C. The set-up services shall otherwise be deemed part of the "Services" for purposes of this Agreement. Franchisor's personnel who assist in providing the Services shall be qualified in and dedicated to revenue management. Both parties acknowledge and agree that Franchisee is under no obligation to comply with any recommendations made by Franchisor in connection with this Agreement, including but not limited to recommendations regarding pricing, inventory, room allocation or rate allocation. Franchisee expressly reserves the right to make, and is ultimately responsible for, any and all decisions relating to pricing, rate allocation and all other revenue management issues. Nothing contained herein should be considered a representation or warranty by Franchisor that compliance with any recommendations made by Franchisor in connection with this Agreement, including but not limited to recommendations regarding pricing, inventory, room allocation or rate allocation will produce, increase or optimize profits of Franchisee.

2. **Confidentiality.** Franchisee shall not, during the term of this Agreement or thereafter, without Franchisor's prior written consent, which consent may be granted or withheld in Franchisee's sole discretion, communicate, transmit, divulge, copy, duplicate, record, or otherwise reproduce, or use for the benefit of any third party or business other than the Hotel, in

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whole or in part, any documentation, software or other confidential information, knowledge, or know-how associated with the Services provided under this Agreement which may be communicated or provided to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's operation under this Agreement, or otherwise make the same available to any unauthorized person. Franchisee shall divulge such information only to such of Franchisee's employees or agents as must have access to it in order to operate the Hotel; all other persons shall be deemed "unauthorized" for purposes of this Agreement. All such information, including without limitation, aggregated, anonymized market data and recommendations by Franchisor regarding rates, pricing, inventory, room allocations and rate allocations, is confidential and provided by Franchisor to Franchisee solely for the purposes of operating the Hotel, and Franchisee expressly acknowledges that such information shall not be used or considered in any respect by the Franchisee in reaching decisions for any other hotels owned, operated or franchised by the Franchisee. Franchisee further acknowledges that it will not divulge to Franchisor any confidential information, including business strategies or pricing, about non-Marriott properties that Franchisee owns, operates, or franchises. The information that is the subject of this Section 2 shall be deemed "Confidential Information" for purposes of the Franchise Agreement. The obligations of Franchisee under this Section 2 shall survive the termination of this Agreement.

3. **Extra Services.** Any services not included in the Services shall be performed by Franchisor only when requested by Franchisee in writing and specifically agreed to by Franchisor. Any additional cost or fees to be paid for such extra services shall be agreed to in writing by both parties.

4. **Term and Termination.** The initial term of this Agreement shall begin on the Commencement Date and shall expire either (1) December 31 of that same year, if the Commencement Date is between January 1st and June 30, or (2) December 31 of the next year, if (a) the Commencement Date is between July 1 and December 31, or (b) the Hotel goes through The Power of M transition (the "Transition") between the Commencement Date and December 31 of the same year. By way of example, if the Commencement Date is February 1, 2026, and the Hotel is not scheduled to go through the Transition in 2026, the initial term will expire on December 31, 2026; if the Commencement Date is February 1, 2026, and the Hotel is scheduled to go through the Transition in 2026, the initial term will expire on December 31, 2027; if the Commencement Date is November 1, 2026, the initial term will expire December 31, 2027, regardless of when the Hotel is scheduled to go through the Transition. After the initial term, this Agreement shall automatically renew for successive terms of one calendar year each unless either party provides written notice of non-renewal at least ninety (90) days in advance of the expiration of the then-current term. In addition, after the initial term, Franchisee shall have right to terminate this Agreement by providing written notice of such termination to Franchisor within thirty (30) days after receipt of notice of an increase in the fee Franchisor charges for the Services, if such fee increases by more than ten percent (10%) from the prior calendar year, such termination to be effective as of the later of (i) the effective date of the fee increase, or (ii) thirty (30) days after such notice of termination is delivered to Franchisor. In the event that Franchisee fails to make any payments required to be made to Franchisor hereunder, which is not cured within ten (10) business days after receipt of notice of non-payment, Franchisor shall have the right to terminate this Agreement upon notice to Franchisee. In addition, if the Franchise Agreement is terminated for any reason during the term of this Agreement, this Agreement shall terminate at the same time as the Franchise Agreement is terminated; provided that if the Franchise Agreement is terminated and a new franchise agreement is entered (with Franchisee or another person or entity) with respect

to the Hotel, this agreement shall be assigned to and assumed by the new franchisee and Franchisee will cause the new franchisee to execute any acknowledgements reasonably requested by Franchisor to signify its agreement to be bound by the provisions of this Agreement. Except as otherwise provided in this Section 4, a party shall have the right to terminate this Agreement if the other party materially breaches this Agreement and fails to remedy such breach within thirty (30) days after receipt of written notice thereof specifying the nature of such breach. The rights of termination under this Section 4 are in addition to whatever rights the non-defaulting party may have at law or in equity; provided that, in no event shall Franchisor be liable to Franchisee in an amount greater than the amounts previously paid by Franchisee for the Services giving rise to the liability.

5. **Fee.** Franchisor will charge Franchisee a fee for each month on the first day of the month for the Services as set forth in Schedule "B" to this Agreement, which shall be pro-rated for any partial month for which the Services are performed. Franchisee agrees to pay such fees to Franchisor within fifteen (15) days of receipt of an invoice therefore. In addition, if the Hotel did not participate in Franchisor's revenue management services during 2025, Franchisor will provide the set-up services described in Schedule C to this Agreement and charge Franchisee the one-time fee set forth in Schedule C. This one-time fee shall be due in full 60 days after the Commencement Date. Finally, Franchisor will charge Franchisee for revenue management deployment activities related to Franchisor's digital technology transformation, which is be detailed in Schedule "D" to this Agreement. Franchisee will pay these fees in two (2) installments within fifteen (15) days of receipt of an invoice therefore. Any payments not actually received by Franchisor on or before the due date shall be deemed overdue. Franchisor may modify the fee effective as of the beginning of any renewal term, subject to Franchisee's right to terminate this Agreement discussed in Section 4, above.

6. **Indemnification.** Franchisee agrees to defend, indemnify and hold harmless Franchisor its affiliates, and each of their officers, directors, agents and employees, from and against any and all actions, costs, claims, losses, expenses and/or damages, including attorney's fees, arising out of or resulting from the performance of the Services. The obligations of Franchisee under this Section 6 shall survive the termination of this Agreement.

7. Reserved.

8. **Limited Delegation of Authority**. In order to efficiently and effectively manage room inventory consistent with the interests of Franchisee, Franchisee appoints Franchisor as its limited agent with authority to take such actions as set forth in the "Inventory Management" portion of Schedule "A" ("Inventory Management Actions') as Franchisor deems appropriate. Franchisee expressly reserves the right to override any Inventory Management Actions taken by Franchisor. In periodic revenue management meetings (each a "Consultation"), Franchisee shall communicate to Franchisor any concerns with respect to Inventory Management Actions taken by Franchisor since the last Consultation, and shall provide to Franchisor specific guidance for taking future Inventory Management Actions. In the absence of explicit disapproval at a Consultation, Franchisee shall be deemed to have approved and authorized all Inventory Management Actions taken by Franchisor after the previous Consultation.

9. **Independent Contractor.** This Agreement does not create a fiduciary relationship between Franchisor and Franchisee. All persons employed to furnish the Services are employees of Franchisor and not of Franchisee. As authorized by Franchisee, Franchisor shall perform the

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Services as an independent contractor, except that Franchisor may act on Franchisee's behalf when taking Inventory Management Actions. When Franchisor acts for Franchisee as set forth in the preceding clause, Franchisee retains all risk of loss for unsold or cheaply sold inventory.

10. **Assignment.** This agreement may not be assigned by Franchisee in whole or part without the prior written consent of Franchisor which will not be unreasonably withheld. Franchisor shall have the right to transfer this Agreement to any person or entity without prior notice to, or consent of, Franchisee, provided the transferee assumes Franchisor's obligations to Franchisee under this Agreement. Franchisee hereby acknowledges and agrees that any such transfer by Franchisor shall constitute a release and novation of Franchisor with respect to this Agreement.

11. **Notices.** Notices, requests, demands and other communication hereunder shall be in writing and shall be forwarded by registered or certified mail as follows:

12. **Entire Agreement.** This Agreement contains the entire agreement between the parties with respect to its subject matter, superseding any prior agreements and writings, and it may not be changed other than by an agreement in writing signed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement the day and year first above written.

I am authorized to make commitments on behalf of the property owner or franchisee noted in Hotel Agreement. By electronically signing The Traditional Revenue Management Consulting Agreement I acknowledge the enrollment in the Revenue Management services selected; the terms contained, including the autorenewal terms; and the payment terms. The contents of this document are confidential and proprietary to Marriott International, Inc. and may not be reproduced, disclosed, distributed or used without the express permission of an authorized representative of Marriott. Any other use is expressly prohibited.

Franchisee:

«Current_Franchisee_Account_Name»

By:

Title:

Date:

FRANCHISOR:
MARRIOTT INTERNATIONAL
ADMINISTRATIVE SERVICES, INC

By: _____
Revenue Management – RMAS

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Schedule A
Revenue Management Advisory Services
Tier IV 2026

TIER IV – RMAS SERVICE TIER OFFERING

RMAS

Tier IV is available primarily to all **CI/TY hotels**, **Core FS hotels**, **Dynamic MSB** hotels that require an **additional level of time spent** on Revenue Management activities due to brand, market demand, group mix, number of hotel rooms or room pools. RMAS will leverage systems efficiency and provide weekday pricing and inventory support. A **dedicated Group Strategy manager** is responsible for **business evaluation and local catering space releases** for all brands. A **weekly 60-minute strategy review call** is included and rotates between the four themes below. **Weekend Support** offered for an additional fee.

Market Demand	No. Rooms	Group Mix	No. Room Pools	Citywide Demand	Special Event Demand
MSB – High FS – Med	>300	>25%	MSB >5 FS <10	Low-Med	All

RMAS Provides Every Week:

Transient:
- ✓ Weekly strategy meeting
- ✓ State of the art sales strategy packet
- ✓ Manage Inventory & Pricing (One Yield)
- ✓ Rate Loading (HPP)
- ✓ Parity research
- ✓ Emergency coverage for unexpected catastrophic events
- ✓ Projections (Monthly)
- ✓ Additional Time Spent from Tier II

Group:
- ✓ Maintain Monthly Group Theme offerings
- ✓ Monthly Group Strategy Overview
  - Group Pace
  - Manage GPO (SFAWeb/CITY Hotels)
  - Group Reporting
- ✓ **Dedicated Group Strategy Manager:**
  - **Business Evaluation (Daily)**
  - **Local Catering Space Releases (Daily)**

Weekly Theme Rotation	Included with Weekly Theme
Month End Review	✓ Review rooms sold, demand and ADR by segment ✓ Segment strategy review and recommendations ✓ Monthly STR report review ✓ Review monthly performance vs budget
Group Focus	✓ Group Strategy Packet & Overview ✓ Review group need times ✓ Review upcoming group blocks ✓ Maintain GPO minimum timeline per brand guidelines
Forecast	✓ Review current year rooms revenue forecast ✓ Review projection risk – gap to projection ✓ Complete group to-be forecast (minimum 24 months)
Retail Rate Analysis	✓ Retail rate review through KDATE ✓ Discuss retail rate opportunities ✓ Review Tier pricing strategy (Longer Stay Brands)

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Schedule B
2026 Cost Matrix
Revenue Management Advisory Service

2026 Cost for Tier IV

Annual Fee for 2026 of: **$58,216.21 USD / $65,522.53 CAD for Tier IV Services**

The fee is billed in equal payments of $4,851.35 USD / $5,460.21 CAD per month.

2026 Cost for Weekend & Holiday Extended Hours Support (if applicable)
(Formerly known as Extended Hours Support)

Annual Fee for 2026 of: **$1,052.64 USD Tier I Extended Hours Support**

The fee for the 2026 Extended Hours will be $87.72 USD which is billed monthly.

2026 Cost for 7-Day Extended Hours Support (if applicable)

Annual Fee for 2026 of: **$2,435.76 USD Tier II Extended Hours Support**

The fee for the 2026 7-Day Extended Hours will be $202.98 USD which is billed monthly.

**Annual RMAS costs will be allocated equally to all participating properties and trued up, annually. True up not to exceed 10% of annual cost.

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Schedule C
2026 One-Time Set-Up Fee
Revenue Management Advisory Services

If the Hotel did not participate in Franchisor's revenue management services during 2025, Franchisor will provide the set-up services described in this Schedule C and charge Franchisee the one-time fee described below. A new-build hotel or a hotel recently converted to a Marriott-brand franchised hotel will not be assessed this fee if the Franchisee signed a letter of intent more than 60 days prior to opening. The fee shall be due in full 60 days after the Commencement Date.

Set-Up Services & Fees

The Revenue Management team will conduct a systems diagnostic audit. The set-up cost for each hotel is $3,500 USD. Key elements of the fee include the One Yield 5 step inventory process, rate program reviews, special event set up, review of RPO comp set, Super Nova rate parity, High Performance Pricing set up, and eFast set up.

The audit will include:

- Systems Diagnostic Audit report with findings and recommendations
- 60-minute meeting to review findings & recommendations
- Execution of all agreed upon changes to hotel systems.

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Schedule D
Power of M Transition Fees
Revenue Management Advisory Services

Franchisees will incur a one-time charge in the amount of $2,700 that covers the incremental effort for the execution and support of revenue management deployment activities that are not included in the current scope of service deliverables. This charge is distinct from existing Shared Services rates and separate from the CMDL charge and will be billed in two installments, one three months prior to cutover, and one three months post cutover.

Billing Structure:

- First Installment ($1,350): Billed 3 months before the Hotel begins receiving services
- Second Installment ($1,350): Billed 6 months after the First Installment is billed (i.e., 3 months after services begin)

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«MARSHA»

«Property_Name» «BACRO»
Attn: General Manager
«Address»
«City», «StateProvince» «Postal_Code»

Greetings! We look forward to our partnership with you and the hotel in 2026!

With this letter, you will find the 2026 consulting agreement, the cost for 2026 as well as our service specifications. As noted in your commitment form, it is mandatory that your hotel leverages the One Yield system functionality in partnership the services of Marriott's Revenue Management Advisory Services.

Please review the documents and if you agree with the terms please electronically sign this document.

If you have any questions or concerns, please do not hesitate to contact Angela Davis.

Again, we look forward to partnering with you in 2026 and look forward to a prosperous year.

Sincerely,

Angela Davis
Area Director Operations, Revenue Management Advisory Services
RMAS@marriott.com

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TRADITIONAL REVENUE MANAGEMENT CONSULTING AGREEMENT

THIS TRADITIONAL REVENUE MANAGEMENT CONSULTING AGREEMENT ("Agreement") is made and entered into this 1st day of January, 2026 ("Commencement Date") By and between «Current_Franchisee_Account_Name» ("Franchisee"), and Marriott International Administrative Services, Inc. ("Franchisor").

RECITALS:

WHEREAS, Franchisor and Franchisee are parties to a Franchise Agreement (as it may be amended, modified, supplemented or restated from time to time, the "Franchise Agreement"), which granted Franchisee the non-exclusive right and franchise to operate the «Property_Name» «BACRO» hotel located at «Address», «City», «StateProvince» «Postal_Code» (the "Hotel");

WHEREAS, Franchisor provides certain revenue management services to certain franchisees of its hotels for a fee;

WHEREAS, Franchisee desires that Franchisor provide certain revenue management services to Franchisee with respect to the Hotel; and

WHEREAS, Franchisor desires to provide certain revenue management services to Franchisee with respect to the Hotel, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby specifically acknowledged, the parties agree as follows:

1. **Scope of Services.** Franchisor shall provide the revenue management services set forth on Schedule "A" attached hereto and made a part hereof (the "Services") to Franchisee with respect to the Hotel. If the hotel did not participate in Franchisor's revenue management services in 2025, Franchisor shall provide the set-up services described in Schedule C, for the fee set forth in Schedule C. The set-up services shall otherwise be deemed part of the "Services" for purposes of this Agreement. Franchisor's personnel who assist in providing the Services shall be qualified in and dedicated to revenue management. Both parties acknowledge and agree that Franchisee is under no obligation to comply with any recommendations made by Franchisor in connection with this Agreement, including but not limited to recommendations regarding pricing, inventory, room allocation or rate allocation. Franchisee expressly reserves the right to make, and is ultimately responsible for, any and all decisions relating to pricing, rate allocation and all other revenue management issues. Nothing contained herein should be considered a representation or warranty by Franchisor that compliance with any recommendations made by Franchisor in connection with this Agreement, including but not limited to recommendations regarding pricing, inventory, room allocation or rate allocation will produce, increase or optimize profits of Franchisee.

2. **Confidentiality.** Franchisee shall not, during the term of this Agreement or thereafter, without Franchisor's prior written consent, which consent may be granted or withheld in Franchisee's sole discretion, communicate, transmit, divulge, copy, duplicate, record, or otherwise reproduce, or use for the benefit of any third party or business other than the Hotel, in

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whole or in part, any documentation, software or other confidential information, knowledge, or know-how associated with the Services provided under this Agreement which may be communicated or provided to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's operation under this Agreement, or otherwise make the same available to any unauthorized person. Franchisee shall divulge such information only to such of Franchisee's employees or agents as must have access to it in order to operate the Hotel; all other persons shall be deemed "unauthorized" for purposes of this Agreement. All such information, including without limitation, aggregated, anonymized market data and recommendations by Franchisor regarding rates, pricing, inventory, room allocations and rate allocations, is confidential and provided by Franchisor to Franchisee solely for the purposes of operating the Hotel, and Franchisee expressly acknowledges that such information shall not be used or considered in any respect by the Franchisee in reaching decisions for any other hotels owned, operated or franchised by the Franchisee. Franchisee further acknowledges that it will not divulge to Franchisor any confidential information, including business strategies or pricing, about non-Marriott properties that Franchisee owns, operates, or franchises. The information that is the subject of this Section 2 shall be deemed "Confidential Information" for purposes of the Franchise Agreement. The obligations of Franchisee under this Section 2 shall survive the termination of this Agreement.

3. **Extra Services.** Any services not included in the Services shall be performed by Franchisor only when requested by Franchisee in writing and specifically agreed to by Franchisor. Any additional cost or fees to be paid for such extra services shall be agreed to in writing by both parties.

4. **Term and Termination.** The initial term of this Agreement shall begin on the Commencement Date and shall expire either (1) December 31 of that same year, if the Commencement Date is between January 1st and June 30, or (2) December 31 of the next year, if (a) the Commencement Date is between July 1 and December 31, or (b) the Hotel goes through The Power of M transition (the "Transition") between the Commencement Date and December 31 of the same year. By way of example, if the Commencement Date is February 1, 2026, and the Hotel is not scheduled to go through the Transition in 2026, the initial term will expire on December 31, 2026; if the Commencement Date is February 1, 2026, and the Hotel is scheduled to go through the Transition in 2026, the initial term will expire on December 31, 2027; if the Commencement Date is November 1, 2026, the initial term will expire December 31, 2027, regardless of when the Hotel is scheduled to go through the Transition. After the initial term, this Agreement shall automatically renew for successive terms of one calendar year each unless either party provides written notice of non-renewal at least ninety (90) days in advance of the expiration of the then-current term. In addition, after the initial term, Franchisee shall have right to terminate this Agreement by providing written notice of such termination to Franchisor within thirty (30) days after receipt of notice of an increase in the fee Franchisor charges for the Services, if such fee increases by more than ten percent (10%) from the prior calendar year, such termination to be effective as of the later of (i) the effective date of the fee increase, or (ii) thirty (30) days after such notice of termination is delivered to Franchisor. In the event that Franchisee fails to make any payments required to be made to Franchisor hereunder, which is not cured within ten (10) business days after receipt of notice of non-payment, Franchisor shall have the right to terminate this Agreement upon notice to Franchisee. In addition, if the Franchise Agreement is terminated for any reason during the term of this Agreement, this Agreement shall terminate at the same time as the Franchise Agreement is terminated; provided that if the Franchise Agreement is terminated and a new franchise agreement is entered (with Franchisee or another person or entity) with respect

to the Hotel, this agreement shall be assigned to and assumed by the new franchisee and Franchisee will cause the new franchisee to execute any acknowledgements reasonably requested by Franchisor to signify its agreement to be bound by the provisions of this Agreement. Except as otherwise provided in this Section 4, a party shall have the right to terminate this Agreement if the other party materially breaches this Agreement and fails to remedy such breach within thirty (30) days after receipt of written notice thereof specifying the nature of such breach. The rights of termination under this Section 4 are in addition to whatever rights the non-defaulting party may have at law or in equity; provided that, in no event shall Franchisor be liable to Franchisee in an amount greater than the amounts previously paid by Franchisee for the Services giving rise to the liability.

5. **Fee.** Franchisor will charge Franchisee a fee for each month on the first day of the month for the Services as set forth in Schedule "B" to this Agreement, which shall be pro-rated for any partial month for which the Services are performed. Franchisee agrees to pay such fees to Franchisor within fifteen (15) days of receipt of an invoice therefore. In addition, if the Hotel did not participate in Franchisor's revenue management services during 2025, Franchisor will provide the set-up services described in Schedule C to this Agreement and charge Franchisee the one-time fee set forth in Schedule C. This one-time fee shall be due in full 60 days after the Commencement Date. Finally, Franchisor will charge Franchisee for revenue management deployment activities related to Franchisor's digital technology transformation, which is be detailed in Schedule "D" to this Agreement. Franchisee will pay these fees in two (2) installments within fifteen (15) days of receipt of an invoice therefore. Any payments not actually received by Franchisor on or before the due date shall be deemed overdue. Franchisor may modify the fee effective as of the beginning of any renewal term, subject to Franchisee's right to terminate this Agreement discussed in Section 4, above.

6. **Indemnification.** Franchisee agrees to defend, indemnify and hold harmless Franchisor its affiliates, and each of their officers, directors, agents and employees, from and against any and all actions, costs, claims, losses, expenses and/or damages, including attorney's fees, arising out of or resulting from the performance of the Services. The obligations of Franchisee under this Section 6 shall survive the termination of this Agreement.

7. Reserved.

8. **Limited Delegation of Authority**. In order to efficiently and effectively manage room inventory consistent with the interests of Franchisee, Franchisee appoints Franchisor as its limited agent with authority to take such actions as set forth in the "Inventory Management" portion of Schedule "A" ("Inventory Management Actions') as Franchisor deems appropriate. Franchisee expressly reserves the right to override any Inventory Management Actions taken by Franchisor. In periodic revenue management meetings (each a "Consultation"), Franchisee shall communicate to Franchisor any concerns with respect to Inventory Management Actions taken by Franchisor since the last Consultation, and shall provide to Franchisor specific guidance for taking future Inventory Management Actions. In the absence of explicit disapproval at a Consultation, Franchisee shall be deemed to have approved and authorized all Inventory Management Actions taken by Franchisor after the previous Consultation.

9. **Independent Contractor.** This Agreement does not create a fiduciary relationship between Franchisor and Franchisee. All persons employed to furnish the Services are employees of Franchisor and not of Franchisee. As authorized by Franchisee, Franchisor shall perform the

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Services as an independent contractor, except that Franchisor may act on Franchisee's behalf when taking Inventory Management Actions. When Franchisor acts for Franchisee as set forth in the preceding clause, Franchisee retains all risk of loss for unsold or cheaply sold inventory.

10. **Assignment.** This agreement may not be assigned by Franchisee in whole or part without the prior written consent of Franchisor which will not be unreasonably withheld. Franchisor shall have the right to transfer this Agreement to any person or entity without prior notice to, or consent of, Franchisee, provided the transferee assumes Franchisor's obligations to Franchisee under this Agreement. Franchisee hereby acknowledges and agrees that any such transfer by Franchisor shall constitute a release and novation of Franchisor with respect to this Agreement.

11. **Notices.** Notices, requests, demands and other communication hereunder shall be in writing and shall be forwarded by registered or certified mail as follows:

12. **Entire Agreement.** This Agreement contains the entire agreement between the parties with respect to its subject matter, superseding any prior agreements and writings, and it may not be changed other than by an agreement in writing signed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement the day and year first above written.

I am authorized to make commitments on behalf of the property owner or franchisee noted in Hotel Agreement. By electronically signing The Traditional Revenue Management Consulting Agreement I acknowledge the enrollment in the Revenue Management services selected; the terms contained, including the autorenewal terms; and the payment terms. The contents of this document are confidential and proprietary to Marriott International, Inc. and may not be reproduced, disclosed, distributed or used without the express permission of an authorized representative of Marriott. Any other use is expressly prohibited.

Franchisee:

«Current_Franchisee_Account_Name»

By:

Title:

Date:

FRANCHISOR:
MARRIOTT INTERNATIONAL
ADMINISTRATIVE SERVICES, INC

By: _____
Revenue Management – RMAS

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Schedule A
Revenue Management Advisory Services
Tier IV 2026

TIER IV – RMAS SERVICE TIER OFFERING

RMAS

Tier IV is available primarily to all **CI/TY hotels**, **Core FS hotels**, **Dynamic MSB** hotels that require an **additional level of time spent** on Revenue Management activities due to brand, market demand, group mix, number of hotel rooms or room pools. RMAS will leverage systems efficiency and provide weekday pricing and inventory support. A **dedicated Group Strategy manager** is responsible for **business evaluation and local catering space releases** for all brands. A **weekly 60-minute strategy review call** is included and rotates between the four themes below. **Weekend Support** offered for an additional fee.

Market Demand	No. Rooms	Group Mix	No. Room Pools	Citywide Demand	Special Event Demand
MSB – High FS – Med	>300	>25%	MSB >5 FS <10	Low-Med	All

RMAS Provides Every Week:	Weekly Theme Rotation	Included with Weekly Theme
Transient: ✓ Weekly strategy meeting ✓ State of the art sales strategy packet ✓ Manage Inventory & Pricing (One Yield) ✓ Rate Loading (HPP) ✓ Parity research ✓ Emergency coverage for unexpected catastrophic events ✓ Projections (Monthly) ✓ Additional Time Spent from Tier II Group: ✓ Maintain Monthly Group Theme offerings ✓ Monthly Group Strategy Overview • Group Pace • Manage GPO (SFAWeb/CITY Hotels) • Group Reporting ✓ **Dedicated Group Strategy Manager:** ▪ **Business Evaluation (Daily)** ▪ **Local Catering Space Releases (Daily)**	Month End Review	✓ Review rooms sold, demand and ADR by segment ✓ Segment strategy review and recommendations ✓ Monthly STR report review ✓ Review monthly performance vs budget
	Group Focus	✓ Group Strategy Packet & Overview ✓ Review group need times ✓ Review upcoming group blocks ✓ Maintain GPO minimum timeline per brand guidelines
	Forecast	✓ Review current year rooms revenue forecast ✓ Review projection risk – gap to projection ✓ Complete group to-be forecast (minimum 24 months)
	Retail Rate Analysis	✓ Retail rate review through KDATE ✓ Discuss retail rate opportunities ✓ Review Tier pricing strategy (Longer Stay Brands)

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Schedule B
2026 Cost Matrix
Revenue Management Advisory Service

2026 Cost for Tier IV Plus

Annual Fee for 2026 of: **$67,903.73 USD / $76,998.18 CAD for Tier IV Services**

The fee is billed in equal payments of $5,658.64 USD / $6,416.52 CAD per month.

2026 Cost for Weekend & Holiday Extended Hours Support (if applicable)
(Formerly known as Extended Hours Support)

Annual Fee for 2026 of: **$1,052.64 USD Tier I Extended Hours Support**

The fee for the 2026 Extended Hours will be $87.72 USD which is billed monthly.

2026 Cost for 7-Day Extended Hours Support (if applicable)

Annual Fee for 2026 of: **$2,435.76 USD Tier II Extended Hours Support**

The fee for the 2026 7-Day Extended Hours will be $202.98 USD which is billed monthly.

**Annual RMAS costs will be allocated equally to all participating properties and trued up, annually. True up not to exceed 10% of annual cost.

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Schedule C
2026 One-Time Set-Up Fee
Revenue Management Advisory Services

If the Hotel did not participate in Franchisor's revenue management services during 2025, Franchisor will provide the set-up services described in this Schedule C and charge Franchisee the one-time fee described below. A new-build hotel or a hotel recently converted to a Marriott-brand franchised hotel will not be assessed this fee if the Franchisee signed a letter of intent more than 60 days prior to opening. The fee shall be due in full 60 days after the Commencement Date.

Set-Up Services & Fees

The Revenue Management team will conduct a systems diagnostic audit. The set-up cost for each hotel is $3,500 USD. Key elements of the fee include the One Yield 5 step inventory process, rate program reviews, special event set up, review of RPO comp set, Super Nova rate parity, High Performance Pricing set up, and eFast set up.

The audit will include:

- Systems Diagnostic Audit report with findings and recommendations
- 60-minute meeting to review findings & recommendations
- Execution of all agreed upon changes to hotel systems.

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Schedule D
Power of M Transition Fees
Revenue Management Advisory Services

Franchisees will incur a one-time charge in the amount of $2,700 that covers the incremental effort for the execution and support of revenue management deployment activities that are not included in the current scope of service deliverables. This charge is distinct from existing Shared Services rates and separate from the CMDL charge and will be billed in two installments, one three months prior to cutover, and one three months post cutover.

Billing Structure:

- First Installment ($1,350): Billed 3 months before the Hotel begins receiving services
- Second Installment ($1,350): Billed 6 months after the First Installment is billed (i.e., 3 months after services begin)

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«MARSHA»

«Property_Name» «BACRO»
Attn: General Manager
«Address»
«City», «StateProvince» «Postal_Code»

Greetings! We look forward to our partnership with you and the hotel in 2026!

With this letter, you will find the 2026 consulting agreement, the cost for 2026 as well as our service specifications. As noted in your commitment form, it is mandatory that your hotel leverages the One Yield system functionality in partnership the services of Marriott's Revenue Management Advisory Services.

Please review the documents and if you agree with the terms please electronically sign this document.

If you have any questions or concerns, please do not hesitate to contact Angela Davis.

Again, we look forward to partnering with you in 2026 and look forward to a prosperous year.

Sincerely,

Angela Davis
Area Director Operations, Revenue Management Advisory Services
RMAS@marriott.com

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TRADITIONAL REVENUE MANAGEMENT CONSULTING AGREEMENT

THIS TRADITIONAL REVENUE MANAGEMENT CONSULTING AGREEMENT ("Agreement") is made and entered into this 1st day of January, 2026 ("Commencement Date") By and between «Current_Franchisee_Account_Name» ("Franchisee"), and Marriott International Administrative Services, Inc. ("Franchisor").

RECITALS:

WHEREAS, Franchisor and Franchisee are parties to a Franchise Agreement (as it may be amended, modified, supplemented or restated from time to time, the "Franchise Agreement"), which granted Franchisee the non-exclusive right and franchise to operate the «Property_Name» «BACRO» hotel located at «Address», «City», «StateProvince» «Postal_Code» (the "Hotel");

WHEREAS, Franchisor provides certain revenue management services to certain franchisees of its hotels for a fee;

WHEREAS, Franchisee desires that Franchisor provide certain revenue management services to Franchisee with respect to the Hotel; and

WHEREAS, Franchisor desires to provide certain revenue management services to Franchisee with respect to the Hotel, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby specifically acknowledged, the parties agree as follows:

1. **Scope of Services.** Franchisor shall provide the revenue management services set forth on Schedule "A" attached hereto and made a part hereof (the "Services") to Franchisee with respect to the Hotel. If the hotel did not participate in Franchisor's revenue management services in 2025, Franchisor shall provide the set-up services described in Schedule C, for the fee set forth in Schedule C. The set-up services shall otherwise be deemed part of the "Services" for purposes of this Agreement. Franchisor's personnel who assist in providing the Services shall be qualified in and dedicated to revenue management. Both parties acknowledge and agree that Franchisee is under no obligation to comply with any recommendations made by Franchisor in connection with this Agreement, including but not limited to recommendations regarding pricing, inventory, room allocation or rate allocation. Franchisee expressly reserves the right to make, and is ultimately responsible for, any and all decisions relating to pricing, rate allocation and all other revenue management issues. Nothing contained herein should be considered a representation or warranty by Franchisor that compliance with any recommendations made by Franchisor in connection with this Agreement, including but not limited to recommendations regarding pricing, inventory, room allocation or rate allocation will produce, increase or optimize profits of Franchisee.

2. **Confidentiality.** Franchisee shall not, during the term of this Agreement or thereafter, without Franchisor's prior written consent, which consent may be granted or withheld in Franchisee's sole discretion, communicate, transmit, divulge, copy, duplicate, record, or otherwise reproduce, or use for the benefit of any third party or business other than the Hotel, in

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whole or in part, any documentation, software or other confidential information, knowledge, or know-how associated with the Services provided under this Agreement which may be communicated or provided to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's operation under this Agreement, or otherwise make the same available to any unauthorized person. Franchisee shall divulge such information only to such of Franchisee's employees or agents as must have access to it in order to operate the Hotel; all other persons shall be deemed "unauthorized" for purposes of this Agreement. All such information, including without limitation, aggregated, anonymized market data and recommendations by Franchisor regarding rates, pricing, inventory, room allocations and rate allocations, is confidential and provided by Franchisor to Franchisee solely for the purposes of operating the Hotel, and Franchisee expressly acknowledges that such information shall not be used or considered in any respect by the Franchisee in reaching decisions for any other hotels owned, operated or franchised by the Franchisee. Franchisee further acknowledges that it will not divulge to Franchisor any confidential information, including business strategies or pricing, about non-Marriott properties that Franchisee owns, operates, or franchises. The information that is the subject of this Section 2 shall be deemed "Confidential Information" for purposes of the Franchise Agreement. The obligations of Franchisee under this Section 2 shall survive the termination of this Agreement.

3. **Extra Services.** Any services not included in the Services shall be performed by Franchisor only when requested by Franchisee in writing and specifically agreed to by Franchisor. Any additional cost or fees to be paid for such extra services shall be agreed to in writing by both parties.

4. **Term and Termination.** The initial term of this Agreement shall begin on the Commencement Date and shall expire either (1) December 31 of that same year, if the Commencement Date is between January 1st and June 30, or (2) December 31 of the next year, if (a) the Commencement Date is between July 1 and December 31, or (b) the Hotel goes through The Power of M transition (the "Transition") between the Commencement Date and December 31 of the same year. By way of example, if the Commencement Date is February 1, 2026, and the Hotel is not scheduled to go through the Transition in 2026, the initial term will expire on December 31, 2026; if the Commencement Date is February 1, 2026, and the Hotel is scheduled to go through the Transition in 2026, the initial term will expire on December 31, 2027; if the Commencement Date is November 1, 2026, the initial term will expire December 31, 2027, regardless of when the Hotel is scheduled to go through the Transition. After the initial term, this Agreement shall automatically renew for successive terms of one calendar year each unless either party provides written notice of non-renewal at least ninety (90) days in advance of the expiration of the then-current term. In addition, after the initial term, Franchisee shall have right to terminate this Agreement by providing written notice of such termination to Franchisor within thirty (30) days after receipt of notice of an increase in the fee Franchisor charges for the Services, if such fee increases by more than ten percent (10%) from the prior calendar year, such termination to be effective as of the later of (i) the effective date of the fee increase, or (ii) thirty (30) days after such notice of termination is delivered to Franchisor. In the event that Franchisee fails to make any payments required to be made to Franchisor hereunder, which is not cured within ten (10) business days after receipt of notice of non-payment, Franchisor shall have the right to terminate this Agreement upon notice to Franchisee. In addition, if the Franchise Agreement is terminated for any reason during the term of this Agreement, this Agreement shall terminate at the same time as the Franchise Agreement is terminated; provided that if the Franchise Agreement is terminated and a new franchise agreement is entered (with Franchisee or another person or entity) with respect to the Hotel, this agreement shall be assigned to and assumed by the new franchisee and Franchisee

will cause the new franchisee to execute any acknowledgements reasonably requested by Franchisor to signify its agreement to be bound by the provisions of this Agreement. Except as otherwise provided in this Section 4, a party shall have the right to terminate this Agreement if the other party materially breaches this Agreement and fails to remedy such breach within thirty (30) days after receipt of written notice thereof specifying the nature of such breach. The rights of termination under this Section 4 are in addition to whatever rights the non-defaulting party may have at law or in equity; provided that, in no event shall Franchisor be liable to Franchisee in an amount greater than the amounts previously paid by Franchisee for the Services giving rise to the liability.

5. **Fee.** Franchisor will charge Franchisee a fee for each month on the first day of the month for the Services as set forth in Schedule "B" to this Agreement, which shall be pro-rated for any partial month for which the Services are performed. Franchisee agrees to pay such fees to Franchisor within fifteen (15) days of receipt of an invoice therefore. In addition, if the Hotel did not participate in Franchisor's revenue management services during 2025, Franchisor will provide the set-up services described in Schedule C to this Agreement and charge Franchisee the one-time fee set forth in Schedule C. This one-time fee shall be due in full 60 days after the Commencement Date. Finally, Franchisor will charge Franchisee for revenue management deployment activities related to Franchisor's digital technology transformation, which is be detailed in Schedule "D" to this Agreement. Franchisee will pay these fees in two (2) installments within fifteen (15) days of receipt of an invoice therefore. Any payments not actually received by Franchisor on or before the due date shall be deemed overdue. Franchisor may modify the fee effective as of the beginning of any renewal term, subject to Franchisee's right to terminate this Agreement discussed in Section 4, above.

6. **Indemnification.** Franchisee agrees to defend, indemnify and hold harmless Franchisor its affiliates, and each of their officers, directors, agents and employees, from and against any and all actions, costs, claims, losses, expenses and/or damages, including attorney's fees, arising out of or resulting from the performance of the Services. The obligations of Franchisee under this Section 6 shall survive the termination of this Agreement.

7. Reserved.

8. **Limited Delegation of Authority**. In order to efficiently and effectively manage room inventory consistent with the interests of Franchisee, Franchisee appoints Franchisor as its limited agent with authority to take such actions as set forth in the "Inventory Management" portion of Schedule "A" ("Inventory Management Actions') as Franchisor deems appropriate. Franchisee expressly reserves the right to override any Inventory Management Actions taken by Franchisor. In periodic revenue management meetings (each a "Consultation"), Franchisee shall communicate to Franchisor any concerns with respect to Inventory Management Actions taken by Franchisor since the last Consultation, and shall provide to Franchisor specific guidance for taking future Inventory Management Actions. In the absence of explicit disapproval at a Consultation, Franchisee shall be deemed to have approved and authorized all Inventory Management Actions taken by Franchisor after the previous Consultation.

9. **Independent Contractor.** This Agreement does not create a fiduciary relationship between Franchisor and Franchisee. All persons employed to furnish the Services are employees of Franchisor and not of Franchisee. As authorized by Franchisee, Franchisor shall perform the Services as an independent contractor, except that Franchisor may act on Franchisee's behalf when

taking Inventory Management Actions. When Franchisor acts for Franchisee as set forth in the preceding clause, Franchisee retains all risk of loss for unsold or cheaply sold inventory.

10. **Assignment.** This agreement may not be assigned by Franchisee in whole or part without the prior written consent of Franchisor which will not be unreasonably withheld. Franchisor shall have the right to transfer this Agreement to any person or entity without prior notice to, or consent of, Franchisee, provided the transferee assumes Franchisor's obligations to Franchisee under this Agreement. Franchisee hereby acknowledges and agrees that any such transfer by Franchisor shall constitute a release and novation of Franchisor with respect to this Agreement.

11. **Notices.** Notices, requests, demands and other communication hereunder shall be in writing and shall be forwarded by registered or certified mail as follows:

12. **Entire Agreement.** This Agreement contains the entire agreement between the parties with respect to its subject matter, superseding any prior agreements and writings, and it may not be changed other than by an agreement in writing signed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement the day and year first above written.

I am authorized to make commitments on behalf of the property owner or franchisee noted in Hotel Agreement. By electronically signing The Traditional Revenue Management Consulting Agreement I acknowledge the enrollment in the Revenue Management services selected; the terms contained, including the autorenewal terms; and the payment terms. The contents of this document are confidential and proprietary to Marriott International, Inc. and may not be reproduced, disclosed, distributed or used without the express permission of an authorized representative of Marriott. Any other use is expressly prohibited.

Franchisee:

«Current_Franchisee_Account_Name»

By:

Title:

Date:

FRANCHISOR:
MARRIOTT INTERNATIONAL
ADMINISTRATIVE SERVICES, INC

By: _____
Revenue Management – RMAS

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Schedule A
Revenue Management Advisory Services
Tier V 2026

TIER V – RMAS SERVICE TIER OFFERING

Tier V is available primarily to all **CI/TY hotels** and **Complex MSB** and **Full-Service hotels** who require the highest **level of time spent** on Revenue Management activities due to brand, market demand, group mix, number of hotel rooms, or complexity of room pools. RMAS will leverage systems efficiency and provide weekday pricing and inventory support. A **dedicated Group Strategy Manager** provides comprehensive group leadership including **strategy, business evaluation, local catering space releases and group concession consultation** allowing your Sales Leader to focus on pro-active sales. A **weekly 60-minute strategy review call** is included and rotates between the four themes below. **Weekend Support** offered for an additional fee.

Market Demand	No. Rooms	Group Mix	No. Room Pools	Citywide Demand	Special Event Demand
MSB – High FS – Med	>300	>25%	MSB >5 FS <10	Low-Med	All

RMAS Provides Every Week:	Weekly Theme Rotation	Included with Weekly Theme
Transient: ✓ Weekly strategy meeting ✓ State of the art sales strategy packet ✓ Manage Inventory & Pricing (One Yield) ✓ Rate Loading (HPP) ✓ Parity research ✓ Emergency coverage for unexpected catastrophic events ✓ Projections and **Budget Assistance** Group: ✓ Maintain Monthly Group Theme offerings ✓ **Additional Time Group Strategy:** ▪ Daily Business Evaluation ▪ Local Catering Space Releases ▪ **Enhanced Group Strategy Leadership** ▪ Group Strategy/Pace/Need Times ▪ Manage GPO (SFAWeb/CITY Hotels) ▪ Comprehensive Group Reporting ▪ **Projections and Budget Assistance** Owner Engagement: Quarterly attendance at owner meetings	Month End Review	✓ Review rooms sold, demand and ADR by segment ✓ Segment strategy review and recommendations ✓ Monthly STR report review ✓ Review monthly performance vs budget
	Group Focus	✓ **Comprehensive group strategy and delivery of group related reporting** ✓ **Directional group guidance** and group need times ✓ Review upcoming group blocks ✓ Maintain GPO minimum timeline per brand guidelines
	Forecast	✓ Review current year rooms revenue forecast ✓ Review projection risk – gap to projection ✓ Complete group to-be forecast (minimum 24 months)
	Retail Rate Analysis	✓ Retail rate review through KDATE ✓ Discuss retail rate opportunities ✓ Review Tier pricing strategy (Longer Stay Brands)

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Schedule B
2026 Cost Matrix
Revenue Management Advisory Service

2026 Cost for Tier V

Annual Fee for 2026 of: **$77,621.98 USD / $85,076.06 CAD for Tier V Services**

The fee is billed in equal payments of $6,468.50 USD / $7,089.67 CAD per month.

2026 Cost for Weekend & Holiday Extended Hours Support (if applicable)
(Formerly known as Extended Hours Support)

Annual Fee for 2026 of: **$1,052.64 USD Tier I Extended Hours Support**

The fee for the 2026 Extended Hours will be $87.72 USD which is billed monthly.

2026 Cost for 7-Day Extended Hours Support (if applicable)

Annual Fee for 2026 of: **$2,435.76 USD Tier II Extended Hours Support**

The fee for the 2026 7-Day Extended Hours will be $202.98 USD which is billed monthly.

**Annual RMAS costs will be allocated equally to all participating properties and trued up, annually. True up not to exceed 10% of annual cost.

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Schedule C
2026 One-Time Set-Up Fee
Revenue Management Advisory Services

If the Hotel did not participate in Franchisor's revenue management services during 2025, Franchisor will provide the set-up services described in this Schedule C and charge Franchisee the one-time fee described below. A new-build hotel or a hotel recently converted to a Marriott-brand franchised hotel will not be assessed this fee if the Franchisee signed a letter of intent more than 60 days prior to opening. The fee shall be due in full 60 days after the Commencement Date.

Set-Up Services & Fees

The Revenue Management team will conduct a systems diagnostic audit. The set-up cost for each hotel is $3,500 USD. Key elements of the fee include the One Yield 5 step inventory process, rate program reviews, special event set up, review of RPO comp set, Super Nova rate parity, High Performance Pricing set up, and eFast set up.

The audit will include:

- Systems Diagnostic Audit report with findings and recommendations
- 60-minute meeting to review findings & recommendations
- Execution of all agreed upon changes to hotel systems.

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Schedule D
Power of M Transition Fees
Revenue Management Advisory Services

Franchisees will incur a one-time charge in the amount of $2,700 that covers the incremental effort for the execution and support of revenue management deployment activities that are not included in the current scope of service deliverables. This charge is distinct from existing Shared Services rates and separate from the CMDL charge and will be billed in two installments, one three months prior to cutover, and one three months post cutover.

Billing Structure:

- First Installment ($1,350): Billed 3 months before the Hotel begins receiving services
- Second Installment ($1,350): Billed 6 months after the First Installment is billed (i.e., 3 months after services begin)

Marriott

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«MARSHA»

«Property_Name» «BACRO»
Attn: General Manager
«Address»
«City», «StateProvince» «Postal_Code»

Greetings! We look forward to our partnership with you and the hotel in 2026!

With this letter, you will find the 2026 consulting agreement, the cost for 2026 as well as our service specifications. As noted in your commitment form, it is mandatory that your hotel leverages the One Yield system functionality in partnership the services of Marriott's Revenue Management Advisory Services.

Please review the documents and if you agree with the terms please electronically sign this document.

If you have any questions or concerns, please do not hesitate to contact Angela Davis.

Again, we look forward to partnering with you in 2026 and look forward to a prosperous year.

Sincerely,

Angela Davis
Area Director Operations, Revenue Management Advisory Services
RMAS@marriott.com

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«MARSHA»

TRADITIONAL REVENUE MANAGEMENT CONSULTING AGREEMENT

THIS TRADITIONAL REVENUE MANAGEMENT CONSULTING AGREEMENT ("Agreement") is made and entered into this 1st day of January, 2026 ("Commencement Date") By and between «Current_Franchisee_Account_Name» ("Franchisee"), and Marriott International Administrative Services, Inc. ("Franchisor").

RECITALS:

WHEREAS, Franchisor and Franchisee are parties to a Franchise Agreement (as it may be amended, modified, supplemented or restated from time to time, the "Franchise Agreement"), which granted Franchisee the non-exclusive right and franchise to operate the «Property_Name» «BACRO» hotel located at «Address», «City», «StateProvince» «Postal_Code» (the "Hotel");

WHEREAS, Franchisor provides certain revenue management services to certain franchisees of its hotels for a fee;

WHEREAS, Franchisee desires that Franchisor provide certain revenue management services to Franchisee with respect to the Hotel; and

WHEREAS, Franchisor desires to provide certain revenue management services to Franchisee with respect to the Hotel, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby specifically acknowledged, the parties agree as follows:

1. **Scope of Services.** Franchisor shall provide the revenue management services set forth on Schedule "A" attached hereto and made a part hereof (the "Services") to Franchisee with respect to the Hotel. If the hotel did not participate in Franchisor's revenue management services in 2025, Franchisor shall provide the set-up services described in Schedule C, for the fee set forth in Schedule C. The set-up services shall otherwise be deemed part of the "Services" for purposes of this Agreement. Franchisor's personnel who assist in providing the Services shall be qualified in and dedicated to revenue management. Both parties acknowledge and agree that Franchisee is under no obligation to comply with any recommendations made by Franchisor in connection with this Agreement, including but not limited to recommendations regarding pricing, inventory, room allocation or rate allocation. Franchisee expressly reserves the right to make, and is ultimately responsible for, any and all decisions relating to pricing, rate allocation and all other revenue management issues. Nothing contained herein should be considered a representation or warranty by Franchisor that compliance with any recommendations made by Franchisor in connection with this Agreement, including but not limited to recommendations regarding pricing, inventory, room allocation or rate allocation will produce, increase or optimize profits of Franchisee.

2. **Confidentiality.** Franchisee shall not, during the term of this Agreement or thereafter, without Franchisor's prior written consent, which consent may be granted or withheld in Franchisee's sole discretion, communicate, transmit, divulge, copy, duplicate, record, or otherwise reproduce, or use for the benefit of any third party or business other than the Hotel, in

whole or in part, any documentation, software or other confidential information, knowledge, or know-how associated with the Services provided under this Agreement which may be communicated or provided to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's operation under this Agreement, or otherwise make the same available to any unauthorized person. Franchisee shall divulge such information only to such of Franchisee's employees or agents as must have access to it in order to operate the Hotel; all other persons shall be deemed "unauthorized" for purposes of this Agreement. All such information, including without limitation, aggregated, anonymized market data and recommendations by Franchisor regarding rates, pricing, inventory, room allocations and rate allocations, is confidential and provided by Franchisor to Franchisee solely for the purposes of operating the Hotel, and Franchisee expressly acknowledges that such information shall not be used or considered in any respect by the Franchisee in reaching decisions for any other hotels owned, operated or franchised by the Franchisee. Franchisee further acknowledges that it will not divulge to Franchisor any confidential information, including business strategies or pricing, about non-Marriott properties that Franchisee owns, operates, or franchises. The information that is the subject of this Section 2 shall be deemed "Confidential Information" for purposes of the Franchise Agreement. The obligations of Franchisee under this Section 2 shall survive the termination of this Agreement.

3. **Extra Services.** Any services not included in the Services shall be performed by Franchisor only when requested by Franchisee in writing and specifically agreed to by Franchisor. Any additional cost or fees to be paid for such extra services shall be agreed to in writing by both parties.

4. **Term and Termination.** The initial term of this Agreement shall begin on the Commencement Date and shall expire either (1) December 31 of that same year, if the Commencement Date is between January 1st and June 30, or (2) December 31 of the next year, if (a) the Commencement Date is between July 1 and December 31, or (b) the Hotel goes through The Power of M transition (the "Transition") between the Commencement Date and December 31 of the same year. By way of example, if the Commencement Date is February 1, 2026, and the Hotel is not scheduled to go through the Transition in 2026, the initial term will expire on December 31, 2026; if the Commencement Date is February 1, 2026, and the Hotel is scheduled to go through the Transition in 2026, the initial term will expire on December 31, 2027; if the Commencement Date is November 1, 2026, the initial term will expire December 31, 2027, regardless of when the Hotel is scheduled to go through the Transition. After the initial term, this Agreement shall automatically renew for successive terms of one calendar year each unless either party provides written notice of non-renewal at least ninety (90) days in advance of the expiration of the then-current term. In addition, after the initial term, Franchisee shall have right to terminate this Agreement by providing written notice of such termination to Franchisor within thirty (30) days after receipt of notice of an increase in the fee Franchisor charges for the Services, if such fee increases by more than ten percent (10%) from the prior calendar year, such termination to be effective as of the later of (i) the effective date of the fee increase, or (ii) thirty (30) days after such notice of termination is delivered to Franchisor. In the event that Franchisee fails to make any payments required to be made to Franchisor hereunder, which is not cured within ten (10) business days after receipt of notice of non-payment, Franchisor shall have the right to terminate this Agreement upon notice to Franchisee. In addition, if the Franchise Agreement is terminated for any reason during the term of this Agreement, this Agreement shall terminate at the same time as the Franchise Agreement is terminated; provided that if the Franchise Agreement is terminated and a new franchise agreement is entered (with Franchisee or another person or entity) with respect

to the Hotel, this agreement shall be assigned to and assumed by the new franchisee and Franchisee will cause the new franchisee to execute any acknowledgements reasonably requested by Franchisor to signify its agreement to be bound by the provisions of this Agreement. Except as otherwise provided in this Section 4, a party shall have the right to terminate this Agreement if the other party materially breaches this Agreement and fails to remedy such breach within thirty (30) days after receipt of written notice thereof specifying the nature of such breach. The rights of termination under this Section 4 are in addition to whatever rights the non-defaulting party may have at law or in equity; provided that, in no event shall Franchisor be liable to Franchisee in an amount greater than the amounts previously paid by Franchisee for the Services giving rise to the liability.

5. **Fee.** Franchisor will charge Franchisee a fee for each month on the first day of the month for the Services as set forth in Schedule "B" to this Agreement, which shall be pro-rated for any partial month for which the Services are performed. Franchisee agrees to pay such fees to Franchisor within fifteen (15) days of receipt of an invoice therefore. In addition, if the Hotel did not participate in Franchisor's revenue management services during 2025, Franchisor will provide the set-up services described in Schedule C to this Agreement and charge Franchisee the one-time fee set forth in Schedule C. This one-time fee shall be due in full 60 days after the Commencement Date. Finally, Franchisor will charge Franchisee for revenue management deployment activities related to Franchisor's digital technology transformation, which is be detailed in Schedule "D" to this Agreement. Franchisee will pay these fees in two (2) installments within fifteen (15) days of receipt of an invoice therefore. Any payments not actually received by Franchisor on or before the due date shall be deemed overdue. Franchisor may modify the fee effective as of the beginning of any renewal term, subject to Franchisee's right to terminate this Agreement discussed in Section 4, above.

6. **Indemnification.** Franchisee agrees to defend, indemnify and hold harmless Franchisor its affiliates, and each of their officers, directors, agents and employees, from and against any and all actions, costs, claims, losses, expenses and/or damages, including attorney's fees, arising out of or resulting from the performance of the Services. The obligations of Franchisee under this Section 6 shall survive the termination of this Agreement.

7. Reserved.

8. **Limited Delegation of Authority**. In order to efficiently and effectively manage room inventory consistent with the interests of Franchisee, Franchisee appoints Franchisor as its limited agent with authority to take such actions as set forth in the "Inventory Management" portion of Schedule "A" ("Inventory Management Actions') as Franchisor deems appropriate. Franchisee expressly reserves the right to override any Inventory Management Actions taken by Franchisor. In periodic revenue management meetings (each a "Consultation"), Franchisee shall communicate to Franchisor any concerns with respect to Inventory Management Actions taken by Franchisor since the last Consultation, and shall provide to Franchisor specific guidance for taking future Inventory Management Actions. In the absence of explicit disapproval at a Consultation, Franchisee shall be deemed to have approved and authorized all Inventory Management Actions taken by Franchisor after the previous Consultation.

9. **Independent Contractor.** This Agreement does not create a fiduciary relationship between Franchisor and Franchisee. All persons employed to furnish the Services are employees of Franchisor and not of Franchisee. As authorized by Franchisee, Franchisor shall perform the

Services as an independent contractor, except that Franchisor may act on Franchisee's behalf when taking Inventory Management Actions. When Franchisor acts for Franchisee as set forth in the preceding clause, Franchisee retains all risk of loss for unsold or cheaply sold inventory.

10. **Assignment.** This agreement may not be assigned by Franchisee in whole or part without the prior written consent of Franchisor which will not be unreasonably withheld. Franchisor shall have the right to transfer this Agreement to any person or entity without prior notice to, or consent of, Franchisee, provided the transferee assumes Franchisor's obligations to Franchisee under this Agreement. Franchisee hereby acknowledges and agrees that any such transfer by Franchisor shall constitute a release and novation of Franchisor with respect to this Agreement.

11. **Notices.** Notices, requests, demands and other communication hereunder shall be in writing and shall be forwarded by registered or certified mail as follows:

12. **Entire Agreement.** This Agreement contains the entire agreement between the parties with respect to its subject matter, superseding any prior agreements and writings, and it may not be changed other than by an agreement in writing signed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement the day and year first above written.

I am authorized to make commitments on behalf of the property owner or franchisee noted in Hotel Agreement. By electronically signing The Traditional Revenue Management Consulting Agreement I acknowledge the enrollment in the Revenue Management services selected; the terms contained, including the autorenewal terms; and the payment terms. The contents of this document are confidential and proprietary to Marriott International, Inc. and may not be reproduced, disclosed, distributed or used without the express permission of an authorized representative of Marriott. Any other use is expressly prohibited.

Franchisee:

«Current_Franchisee_Account_Name»

By:

Title:

Date:

FRANCHISOR:
MARRIOTT INTERNATIONAL
ADMINISTRATIVE SERVICES, INC

By: _____
Revenue Management – RMAS

«MARSHA»

Schedule A
Revenue Management Advisory Services
Partner Add on Solutions 2024

Reference: Transient Package Considerations	
Package A	- Inventory/Pricing - Rate Loading - Strategy Packet
Package B	- All Considerations in Package A - Strategy Meeting extended to 60 minutes - All Brands eligible - Additional time spent
Package C	- All Considerations offered in Package B - 30 min Scrub Meeting added - Additional time spent
Package D	- All Considerations offered in Package C - Scrub meeting extended to 60 min - Maximum Time Spent - Monthly projections added - Annual Budget Spread

Reference: Group Package Considerations	
Package A	- Daily Business Evaluation (BE) - Local Catering Space Releases - GPO Set up and maintenance (Per Brand Guidelines)
Package B	- All Considerations in Package A - 30 min weekly funnel meeting added - Additional Time Spent BE and space releases
Package C	- All Considerations offered in Package B - Monthly Group Projections Added - Extensive Group Strategy Leadership - Annual Group Rooms Budget Spread - Maximum Time Spent Group Strategy

«MARSHA»

Schedule B
2026 Cost Matrix
Revenue Management Advisory Services
Partner Add on Solutions 2026

Choose 1 Transient Package below

Signature	Transient Package	Annual Cost	Brand	Market Demand	Time Spent	Strategy Meeting Weekly	Scrub Meeting Weekly
	Decline	Decline	N/A	N/A	N/A	N/A	N/A
	A	$15,182.03 USD $14,978.52 CAD	MSB Only	Low-Med	Low	30 min	N/A
	B	$23,368.39 USD $25,014.20 CAD	All	Low-Med	Med	60 min	N/A
	C	$29,095.27 USD $41,028.36 CAD	All	Med	Med	60 min	30 min
	D	$38,807.75 USD $42,538.03 CAD	All	High	High	60 min	60 min

Choose 1 Group Package below

Signature	Group Package	Annual Cost	Brand	Group Mix	Time Spent	Strategy Meeting Weekly	Funnel Meeting Weekly
	Decline	Decline	N/A	N/A	N/A	N/A	N/A
	A	$19,405.77 USD $22,984.51 CAD	ALL	<15%	Low	30 min	N/A
	B	$29,095.27 USD $34,459.79 CAD	All	>16% <25%	Med	45 min	30 min
	C	$38,808.20 USD $42,538.03 CAD	All	>25%	High	60 min	60 min

2026 Cost for Weekend & Holiday Extended Hours Support (if applicable)
(Formerly known as Extended Hours Support)

Annual Fee for 2026 of: **$1,052.64 USD Tier I Extended Hours Support**

The fee for the 2026 Extended Hours will be $87.72 USD which is billed monthly.

2026 Cost for 7-Day Extended Hours Support (if applicable)

Annual Fee for 2026 of: **$2,435.76 USD Tier II Extended Hours Support**

The fee for the 2026 7-Day Extended Hours will be $202.98 USD which is billed monthly.

**Annual RMAS costs will be allocated equally to all participating properties and trued up, annually. True up not to exceed 10% of annual cost.

«MARSHA»

Schedule C
2026 One-Time Set-Up Fee
Revenue Management Advisory Services

If the Hotel did not participate in Franchisor's revenue management services during 2025, Franchisor will provide the set-up services described in this Schedule C and charge Franchisee the one-time fee described below. A new-build hotel or a hotel recently converted to a Marriott-brand franchised hotel will not be assessed this fee if the Franchisee signed a letter of intent more than 60 days prior to opening. The fee shall be due in full 60 days after the Commencement Date.

Set-Up Services & Fees

The Revenue Management team will conduct a systems diagnostic audit. The set-up cost for each hotel is $3,500 USD. Key elements of the fee include the One Yield 5 step inventory process, rate program reviews, special event set up, review of RPO comp set, Super Nova rate parity, High Performance Pricing set up, and eFast set up.

The audit will include:

- Systems Diagnostic Audit report with findings and recommendations
- 60-minute meeting to review findings & recommendations
- Execution of all agreed upon changes to hotel systems.

«MARSHA»

Schedule D
Power of M Transition Fees
Revenue Management Advisory Services

Franchisees will incur a one-time charge in the amount of $2,700 that covers the incremental effort for the execution and support of revenue management deployment activities that are not included in the current scope of service deliverables. This charge is distinct from existing Shared Services rates and separate from the CMDL charge and will be billed in two installments, one three months prior to cutover, and one three months post cutover.

Billing Structure:

- First Installment ($1,350): Billed 3 months before the Hotel begins receiving services
- Second Installment ($1,350): Billed 6 months after the First Installment is billed (i.e., 3 months after services begin)

SHARED SERVICES AGREEMENT

THIS SHARED SERVICES AGREEMENT (this "Agreement") is made and entered into this Month DD, YYYY (the "Commencement Date") by and between Marriott International Administrative Services, Inc. and Franchisee, as such term is defined in the Franchise Agreement relating to the Hotel Name and MARSHA code MARSHA ("Hotel").

RECITALS:

WHEREAS, Marriott International Administrative Services, Inc. and/or one or more of its affiliates ("Marriott") and Franchisee are parties to a Franchise Agreement (as it may be amended, modified, supplemented, or restated from time to time, the "Franchise Agreement").

WHEREAS, Marriott has organized the efforts of associates located within a particular geographic area and/or according to relevant groupings (the "Market") to perform one or more services behalf of Marriott hotels located within the Market that agree to receive services on a shared basis ("Shared Service(s)") as listed in Attachment A and whose scope and costs are detailed in an exhibit (the "Exhibits"), attached hereto and made a part hereof;

WHEREAS, such Shared Services are provided in accordance with this Agreement;

WHEREAS, each Shared Service taken together with and subject to this Agreement or a similar agreement constitutes a unique program and takes place within a Market ("Program");

WHEREAS, Franchisee has independently assessed the Programs and determined that the potential benefits of participating in the Programs justify the risks of participation, and has therefore requested that the Hotel participate in the Programs; and

WHEREAS, Marriott is willing to allow such participation on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the benefits to be derived herefrom, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, it is hereby agreed as follows:

1. Program Participation. The Hotel will participate in one or more Programs.

2. Program Organization. Marriott will organize and staff the Programs to provide Shared Services for the Hotel and the other hotels participating in each such Program.

3. Allocation of Costs.

a. The costs and expenses of implementing and deploying the Programs will be allocated among the hotels receiving a Shared Service as part of a Program in accordance with the cost and allocation methodology described in the corresponding Exhibits. The Hotel's share of the costs will be allocated and invoiced either (i) as the costs are incurred, or (ii) at the time the Franchisee elects to participate in the Program, whichever is later. The costs of implementing and deploying the Programs do not include the ongoing operating costs that are described in 3.b. below.

b. Costs and expenses of a Program shall include, without limitation, wages, benefits, and bonuses of the Program associates, as well as controllables such as startup expenses, rent, office supplies, postage, telephone expenses, travel expenses, training, entertainment, and depreciation of capital expenditures such as computer systems, and office furniture and facilities (the "Operating Costs"). The Hotel's share of the costs of the Programs, including but not limited to the Operating Costs, will be allocated and invoiced to Franchisee each month.

c. Franchisee shall make payment in compliance with the terms of each invoice, Shared Service Agreement, and the Franchise Agreement.

d. Marriott may periodically evaluate the allocation methodologies set forth above in Attachment A and/or Exhibits attached thereto. Should another allocation basis or methodology be identified that better reflects each participating hotel's share of the costs, as deemed by Marriott in its sole discretion, this basis and/or methodology may be adopted. Any such change will be communicated to the participating hotels, including the Hotel, and shall be applied without need to formally modify this Agreement.

4. Addition or Withdrawal of Hotel from Market. If a hotel is added as a participant in one or more Programs, the percentage share of the costs of such Program for each of the other hotels in the Market may be adjusted proportionately by the new hotel's share of such costs, if deemed practicable by Marriott, as determined in accordance with this Agreement. If a hotel withdraws as a participant in the Shared Service, the percentage share of the costs of the Shared Service for each of the other participating hotels may be adjusted proportionately by the non-participating hotel's share of such costs, if deemed practicable by Marriott, as determined in accordance with this Agreement.

5. Scope of Services; Delegation and Limit of Authority.

a. Franchisee hereby authorizes Marriott to provide Shared Services to the Hotel as part of a Program, which is listed in Attachment A and described in the relevant Exhibit.

b. Franchisee consents to Marriott, through the Programs, entering into any contract or agreement related to the Shared Services, and will, upon request by Marriott, ratify and confirm any such contract or agreement.

c. Franchisee retains its existing authority for implementing the Hotel's business strategy, consistent with the Franchise Agreement, including with respect to pricing, business mix, inventory or room or rate allocation. Marriott may offer strategic recommendations in connection with the provision of Shared Services to the Hotel as described in this Agreement, Attachment A or the Exhibits, however Franchisee is not obligated to adopt those recommendations in determining the appropriate business strategy for the Hotel. Franchisee acknowledges and agrees that the success of the Hotel's
participation in the Programs largely depends upon Franchisee's decisions regarding same.

d. Marriott is entitled to deal directly with the managers at the Hotel, regardless of whether or not such managers are employees of Franchisee (or an affiliate thereof) or any independent management company operating the Hotel ("Manager"), and to rely on the instructions of same in connection with Marriott's performance of the Services hereunder.

6. Obligations of Franchisee. Franchisee agrees to the following:

Franchisee, or Manager on behalf of Franchisee, may be required to undertake obligations associated with those Programs in which it will be participating. The obligations and the

Shared Services to which they pertain are set forth in Attachment B. Any Franchisee procuring Shared Services listed in Attachment A shall comply with the obligations related to such Shared Services.

Franchisee's failure to comply with this Paragraph 6 shall be a default under this Agreement.

7. Term and Termination.

a. Term and Termination. The initial term of this Agreement shall begin on the Commencement Date and shall expire either (1) December 31 of that same year, if the Commencement Date is between January 1st and June 30, or (2) December 31 of the next year, if the Commencement Date is between July 1 and December 31. For purposes of clarity, if the Commencement Date is November 5, 2024, the initial term will expire on December 31, 2025. This Agreement shall automatically renew for successive terms of one calendar year each unless either party provides written notice of non-renewal at least ninety (90) days in advance of the expiration of the then-current term.

b. In the event that Franchisee is in default under this Agreement, Marriott may terminate this Agreement by giving thirty (30) days' written notice to Franchisee.

c. Subject to Section 7.d, Franchisee may terminate this Agreement by giving ninety (90) days' written notice to Marriott.

d. This Agreement will immediately terminate upon termination of the Franchise Agreement; except in the event that Marriott consents to or approves the transaction (including a sale of the Hotel or other transfer requiring the consent of Marriott) pursuant to which the Franchise Agreement is terminated, in which case this Agreement may be assigned as set forth in any such consent or approval.

e. Franchisee acknowledges that Marriott may be damaged in several ways upon termination of this Agreement pursuant to Paragraph 7.b or Paragraph 7.c (an "Event Termination"). Franchisee acknowledges that certain costs and expenses related to the Hotel's participation in the Programs, as allocated to Franchisee pursuant to Paragraph 3 and Attachment A (including all of those costs allocated pursuant to Exhibits attached thereto), have already been incurred by Marriott or accrued by Franchisee prior to the date of the Event Termination ("Prior Costs"). Furthermore, certain costs and expenses related to the Hotel's participation in the Programs, as allocated or allocable to Franchisee pursuant to Paragraph 3 and Attachment A and the Exhibits thereto, to be incurred by Marriott or accrued by Franchisee, after the Event Termination ("Future Costs") may not be recoverable. In the event of an Event Termination, Marriott shall be entitled to recover from Franchisee, and Franchisee shall be obligated to promptly pay to Marriott, no later than the date of termination of this Agreement, the Prior Costs and Future Costs, as reasonably determined by Marriott. The parties agree that such payment is not
a penalty and represents a reasonable estimate of just and fair compensation of Marriott for the damages that it would suffer for an Event Termination The parties agree that it is reasonable for Marriott to include in the calculation of Future Costs those costs anticipated to be allocated to the Hotel (pursuant to the methodology set forth in Exhibits attached hereto) for the remainder of the Initial Term or Renewal Term (as applicable) as calculated according to Marriott's most recent projection of such costs. Franchisee's obligation to pay the Prior Costs and Future Costs shall survive termination of this Agreement.

8. Confidentiality. Franchisee shall not, and if Hotel is managed by a Manager then Franchisee shall ensure that the Manager does not, during the Term of this Agreement or thereafter, without Marriott's prior written consent, communicate, divulge, copy, duplicate, record or otherwise reproduce, or use for the benefit of any third party or business other than the Hotel, in whole or in part, any documentation, software or other confidential information knowledge, or know-how associated with the Programs which may be communicated or provided to Franchisee or the Manager or of which Franchisee or Manager may be apprised, by virtue of Franchisee's participation under this Agreement, or otherwise make the same available to any unauthorized person. Franchisee shall ensure that the Manager shall divulge such information only to such of Franchisee's or Manager's employees or agents

as must have access to it in order to operate the Hotel. All such information including without limitation, aggregated, anonymized market data, recommendations by Marriott regarding rates and customer information is confidential and provided by Marriott to Franchisee and Manager solely for the purpose of operating the Hotel and honoring the contracts negotiated by Marriott for the Programs. Franchisee expressly acknowledges for itself and the Manager that such information shall not be used or considered in any respect by the Franchisee or Manager in reaching decisions for the other hotels owned, operated or franchised by the Franchisee. Franchisee further acknowledges that it will not divulge to Marriott any confidential information, including prospective sales opportunities, business strategies, or pricing, about non-Marriott properties that Franchisee owns, operates, or franchises. Franchisee acknowledges and agrees that any unauthorized use of confidential information would cause irreparable injury to Marriott for which no adequate remedy at law may be available, and Franchisee accordingly consents to the issuance of an injunction prohibiting any conduct in violation of this Paragraph 8.

9. Representations, Warranties and Covenants of Franchisee. Franchisee represents, warrants and covenants to Marriott that:

a. it is a legal entity duly formed, validly existing, and in good standing under the laws of the jurisdiction of its formation, (ii) it has and will continue to have throughout the Term hereof the ability to perform its obligations under this Agreement, and (iii) it has and will continue to have throughout the Term hereof all necessary power and authority to execute and deliver this Agreement; the execution and delivery of this Agreement by Franchisee (and by the person signing this Agreement on behalf of Franchisee) and the performance by Franchisee of its obligations under this Agreement (a) have been duly authorized by all necessary action; (b) do not require the consent of any third parties (including lenders) except for such consents as have been properly obtained; and (c) do not and will not contravene, violate, result in a breach of, or constitute a default under (A) Franchisee's certificate of formation, operating agreement, or other governing documents, (B) any regulation of any governmental body or any decision, ruling, order, or award by which Franchisee or any of Franchisee's properties may be bound or affected, or (C) any agreement, indenture or other instrument to which Franchisee is a party or by which any of Franchisee's properties may be bound or affected; and

c. this Agreement is the legally valid and binding obligation of Franchisee, enforceable against Franchisee in accordance with its terms; and

10. ACKNOWLEDGMENTS OF FRANCHISEE.

A. TO THE EXTENT THAT MARRIOTT IN THE COURSE OF DISCUSSIONS REGARDING PARTICIPATION IN THE PROGRAMS OR BUDGETING FOR THE PROGRAMS HAS PROVIDED ANY FINANCIAL INFORMATION OR PROJECTIONS, FRANCHISEE ACKNOWLEDGES AND AGREES THAT SUCH INFORMATION OR PROJECTIONS WERE NOT INTENDED AS A PROMISE, REPRESENTATION, OR WARRANTY OF PERFORMANCE AND THAT FRANCHISEE DID NOT RELY ON ANY SUCH INFORMATION OR PROJECTIONS NOT EXPRESSLY CONTAINED IN THIS AGREEMENT IN MAKING ITS DECISION TO SIGN THIS AGREEMENT.

B. FRANCHISEE ACKNOWLEDGES THAT: (1) THE SALES AND MARKETING OF THE HOTEL – AND THE FINANCIAL AND OPERATIONAL SUCCESS OF THE HOTEL - WILL BE LARGELY DEPENDENT UPON THE ABILITY OF FRANCHISEE TO MARKET AND OPERATE THE HOTEL AS AN INDEPENDENT BUSINESS, AND (2) THE SALES VOLUME, REVENUE AND PROFIT OF THE HOTEL MAY DECLINE AFTER THE COMMENCEMENT DATE, WHETHER OR NOT AS A RESULT OF MARRIOTT'S PERFORMANCE OF THE SERVICES OR FRANCHISEE'S PARTICIPATION IN THE PROGRAMS. FRANCHISEE ACKNOWLEDGES AND AGREES THAT MARRIOTT IS NOT ASSUMING OVERALL RESPONSIBILITY FOR THE SUCCESS OR FAILURE OF THE HOTEL BY PROVIDING THE SERVICES, AND MARRIOTT IS NOT PROVIDING ANY WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, AS TO THE POTENTIAL SALES VOLUME, REVENUE,

PROFIT OR SUCCESS OF THE HOTEL AS A RESULT OF MARRIOTT'S PREFORMANCE OF THE SERVICES OR FRANCHISEE'S PARTICIPATION IN THE PROGRAMS.

C. FRANCHISEE ACKNOWLEDGES THAT IT HAS READ AND UNDERSTOOD THIS AGREEMENT, ATTACHMENTS AND EXHIBITS HERETO, AND FRANCHISEE HAS HAD AMPLE TIME AND OPPORTUNITY TO CONSULT WITH ADVISORS AND LEGAL COUNSEL OF FRANCHISEE'S OWN CHOOSING ABOUT THE POTENTIAL BENEFITS AND RISKS OF ENTERING INTO THIS AGREEMENT. FRANCHISEE ACKNOWLEDGES THAT FRANCHISEE HAS HAD AN OPPORTUNITY TO NEGOTIATE, AND HAS FULLY NEGOTIATED, THE ESSENTIAL STIPULATIONS OF THIS AGREEMENT AND THAT SUCH STIPULATIONS WERE NOT UNILATERALLY IMPOSED ON IT BY MARRIOTT.

11. **Indemnification**. Franchisee agrees to defend, indemnify and hold harmless Marriott, its affiliates, and each of their respective current and former officers, directors, shareholders, agents, representatives and employees, and all other persons or entities acting on their behalf, from and against any and all actions, costs, claims, losses, expenses and/or damages, including attorney's fees, asserted by third parties, arising out of or resulting from the performance of the Services or any other action contemplated by this Agreement.

12. **Covenants not to Sue**. Franchisee and Marriott hereby acknowledge their mutual understanding that success under the Programs is uncertain, and their mutual desire to ensure that these Programs not damage their existing relationship by resulting in contentious, distracting and expensive litigation. Without limiting the generality of the foregoing, Franchisee further acknowledges that the covenants set forth in this Paragraph 12 were a material inducement to Marriott to enter into this Agreement, because of the impact of those covenants on the risks (and associated economic consequences) of proceeding with this Agreement. In order to implement the foregoing acknowledgments, desires and understandings, Franchisee and Marriott for themselves and their respective affiliates and
subsidiaries and the current and former officers, directors, shareholders, partners, employees, predecessors, successors, attorneys, agents, representatives, and assigns and all other persons or entities acting on the behalf or claiming under any of the foregoing , hereby covenant not to bring any suit, action, or proceeding, or make any demand or claim of any type, against each other, or any of the foregoing entities or individuals, with respect to (i) the Shared Services, or (ii) the Programs, or (iii) this Agreement and any action contemplated by this Agreement, except that in the event that Franchisee fails to make payment of Prior Costs or Future Costs in accordance with Paragraph 7.e hereof, Marriott may bring an action for the sole purpose of collecting the payment of Prior Costs and/or Future Costs. Any party intended as a beneficiary of these covenants not to sue may plead or assert this Paragraph 12 as a complete defense and bar to any claim brought in contravention of this Paragraph 12 and, if any such claim is brought, the party asserting the claim shall indemnify, defend, and hold harmless any and all such beneficiary parties from and against any such claim.

13. Waiver of Trial by Jury. The parties to this Agreement hereby waive trial by jury in any action, proceeding or counterclaim bought by either party against the other pertaining to any matters whatsoever arising out of or in any way connected to this Agreement or the Shared Services.

14. Attorneys' Fees. In the event any controversy, claim or dispute between the parties hereto, arising out of or relating to this Agreement or the breach thereof, results in arbitration or litigation, the prevailing party in such proceedings shall be entitled to recover from the losing party reasonable expenses, attorneys' fees and costs.

15. **Limitation of Liability/Specification of Remedy**. Franchisee acknowledges and agrees that Marriott is not responsible or liable for any unpaid bills or other failure to perform by any customer pursuant to a contract entered into by Marriott on behalf of the Hotel. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, UNDER NO CIRCUMSTANCES WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY UNDER THIS AGREEMENT FOR ANY

CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL, INDIRECT OR PUNITIVE DAMAGES OR LOST PROFITS, WHETHER FORESEEABLE OR UNFORSEEABLE, BASED ON CLAIMS ARISING OUT OF THE BREACH OF THIS AGREEMENT MISREPRESENTATION, NEGLIGENCE, STRICT LIABILITY IN TORT OR OTHERWISE. EACH PARTY'S SOLE REMEDIES BASED ON CLAIMS ARISING OUT OF THIS AGREEMENT, MISREPRESENTATION, NEGLIGENCE, STRICT LIABILITY IN TORT OR OTHERWISE SHALL BE TERMINATION OF THE AGREEMENT PURSUANT TO PARAGRAPH 7 HEREOF, AND COMPENSATION PURSUANT TO THE FORMULA SET FORTH IN PARAGRAPH 7.E HEREOF.

16. Franchise Agreement Controls. The Franchise Agreement shall control the relationship of the parties and this Agreement shall not amend, modify or affect any obligations or duties of the parties under the Franchise Agreement.

17. Independent Contractor. This Agreement does not create a fiduciary relationship between Marriott and Franchisee. Marriott shall perform its obligations under this Agreement as an independent contractor where all persons employed to furnish the Shared Services are employees of Marriott and not Franchisee. As authorized by Franchisee in the Attachments and the relevant Exhibits, Marriott may act on Franchisee's behalf in providing the Shared Services, such as when booking reservations at the Hotel (or other booking activities) and for all sales activities, including arranging group sales. When Marriott acts for Franchisee as set forth in the preceding clause, Franchisee consigns hotel inventory to Marriott and retains all risk of loss of unsold or cheaply sold inventory.

18. Supplies and Equipment. Franchisee at its sole cost and expense shall furnish all supplies, equipment and related expendables necessary or appropriate to provide the Shared Services.

19. Insurance. Franchisee and or management company will procure such insurance in such amounts as required by Marriott.

a.At Marriott's request all policies shall be specifically endorsed to provide that the coverages obtained by virtue of this Agreement will be primary and that any insurance carried by the other party shall be excess and non-contributory. All policies shall be specifically endorsed to provide that such coverage shall not be canceled or materially changed without at least ten (10) days prior written notice to the other party. Each party shall deliver certificates of insurance and any renewals thereof to the other party which evidences the required coverages.

20. Assignment. This Agreement may not be assigned by Franchisee in whole or in part without the prior written consent of Marriott.

21. Notices. Notices, requests, demands and other communications hereunder shall be in writing and shall be sent pursuant to the notice provisions of the Franchise Agreement.

22. Choice of Law, Choice of Jurisdiction and Dispute Resolution. The terms of the Franchise Agreement with respect to choice of law, choice of jurisdiction and dispute resolution shall apply to terms of this Agreement.

23. Entire Agreement. This Agreement, including the attachments hereto and any agreements executed in connection with this Agreement, contains the entire agreement between the parties concerning the subject matter herein, superseding any prior agreements and writings, and it may not be changed or modified other than by an agreement in writing signed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed the Shared Service Agreement the day and year first above written.

I am a hotel representative authorized to make commitments on behalf of the property owner or franchisee noted in Hotel Agreement. By electronically signing the Shared Service Agreement I acknowledge the enrollment in the Shared Services selected; the terms contained, including the autorenewal terms; and the payment terms. The contents of this document is

confidential and proprietary to Marriott International, Inc. and may not be reproduced, disclosed, distributed, or used without the express permission of an authorized representative of Marriott. Any other use is expressly prohibited.

FRANCHISEE (OR AGENT ON BEHALF OF FRANCHISEE):

Company Name

SIGNATURE	NAME	TITLE	HOTEL
SIGNATURE AREA	Full name	Title	MARSHA

MARRIOTT:

MARRIOTT INTERNATIONAL ADMINISTRATIVE SERVICES, INC.

By: Araceli Lopez
Name: Araceli Lopez
Title: Dir. of Finance

SHARED SERVICES AGREEMENT

ATTACHMENT A
PROGRAMS

**International Hotels: Cost Share reflects annual estimated amounts and currency previously communicated during the annual budget process as USD noted below may not fully apply.*

HOTEL LIST OF PARTICIPATING SHARED SERVICE

MARSHA- Hotel Name

EXHIBIT -SERVICE	BUDGET		START DATE
A.1 -Multi Hotel Sales/Centralized Multi Hotel Sales	Cost Share	USD	Month DD, YYYY
A.2 -Local Catering Multi Hotel Sales	Cost Share	USD	Month DD, YYYY
B.1 -Area Sales	Cost Share	USD	Month DD, YYYY
B.1F -Franchise Business Transient Plus Program	Annual Tier	USD	Month DD, YYYY
B.2 -Area Sales-Sales Executive-MSB	Cost Share	USD	Month DD, YYYY

SHARED SERVICES AGREEMENT

EXHIBIT A.1 – Multi Hotel Sales /Centralized Multi Hotel Sales

METHODOLOGY FOR ALLOCATION OF ONGOING OPERATING COSTS

The Program is comprised of Multi Hotel Sales/Centralized Multi Hotel Sales, which ongoing operating costs will be distributed among the participating Hotels based on the following:

Multi Hotel Sales/Centralized Multi Hotel Sales operating costs will be distributed to all participating Hotels each month based on the following:

- 80% of the unit costs will be allocated based on the pro-rated share of each hotels calculated direct and indirect deployment of resources. This may include hotel/owner requested additional resources.
- 20% of the unit costs will be allocated based on the pro-rated share of each hotel's annual Goal.

- This methodology will not generate true-ups following actualization.
- Deployment will be reviewed quarterly, and future shares may change as a result of that redeployment. Hotel goals are typically not known early in the budget cycle and will change cost shares as final goals become available.

SCOPE OF SERVICES

The objective of the Program is to direct sell participating Hotels and sell group and banquet events, meeting room space and other business for the Hotel to customers to attempt to meet Hotel budget requirement for extended stay and group business.

To accomplish this objective, Multi Hotel Sales Team and Centralized Multi Hotel Sales Team will provide services that include the following:

- Lead refer opportunities from sales area to sales area to ensure opportunities are developed for hotels across the Market.
- Provide active follow up on business opportunities to close those that meet Hotel strategy.
- Work with property Sales leadership to implement direct sales strategies that address market conditions and customer requirements.
- Provide proposals to potential customers and negotiate and draft customer contracts based upon pre-approved pricing authorization provided to Marriott by Hotel.
- Build and maintain a positive communication link between the Hotel and sales organization in order to keep Hotel leadership effectively informed of market trends and conditions, competitive information and customer needs to help the Hotel best capitalize on the demand available in the Market.

SHARED SERVICES AGREEMENT

ATTACHMENT B
OBLIGATIONS OF FRANCHISEE

The following are responsibilities of the hotel as part of participation in the Multi-Hotel Sales (MHS) Shared Service Program (hereafter referred to as the "Program").

I. Business Processes:

- Support effective Event Management and use and support the Program group and catering turnover process and billing.
- Make all Hotel group and catering inventory available to applicable Program sales channels: Regional Multi Hotel Sales Team, Centralized Multi Hotel Sales Team or Multi Hotel Sales Local Catering Team.
- Maintain function space availability in the standard Marriott sales system based on hotel type.
    - Function Space Inventory (FSI) feature of Sales Force Automation (SFAWeb) for Marriott Select Brand hotels
    - Consolidated Inventory/Total Yield (CI/TY) for Full Service hotels.
- All leads for group or catering business within the Program participation parameters must be directed to the appropriate Program sales channel.
- All Sales Agreements will include the following clause:
    - **ENTIRE AGREEMENT**

      This Agreement constitutes the entire agreement between Hotel and [ORGANIZATION NAME] pertaining to the Room Night Commitment and event. [ORGANIZATION NAME] acknowledges and agrees that it has entered into this agreement exclusively with Hotel, and not Marriott International, Inc. or any of its subsidiaries or affiliates. Hotel is an independent franchisee of Marriott International, Inc. Hotel is solely responsible for fulfilling its obligations as set forth herein and Marriott International, Inc. and its subsidiaries and affiliates do not guaranty or warranty Hotel's obligations hereunder.
- Countersign all sales agreements within 24 hours or as required by the applicable business process. Provide Program list of authorized hotel signers.
- Comply with standard Program business processes including, but not limited to:
    - OM8.4 Full-Service
    - OM1.1 Local Catering Events (if applicable)
    - OM1.3 Affiliate Process
    - OM2.5 Business Evaluation
    - BE Express Job Aid (marriott.com)
    - OM4.2 Letter of Intent (optional)
    - OM8.2 Pop-Up Business for Property Sales & Sales Office
    - OM8.3.2 Transient High Touch Bookings
    - Opportunity Distribution (Front Office Team)

- OM8.4.1 Marriott Select Brands
- OM8.4.2 Resorts

- OM8.5 Opportunity Changes Prior to Turnover Acceptance
- OM8.5.1 Turnover Process
- OM8.6 Changes to Opportunities Post Turnover Acceptance
- OM10.1 Site Inspection: Multi-Hotel Sales Parameters
- OM11.1 Walk-In Opportunities

II. Communications:

- Set and communicate Hotel sales strategy and guidelines, including but not limited to: Hotel need dates, rental parameters, concession grid, via Group Pricing Optimizer (GPO) and corresponding GPO Notes, Hotel Information Resource and/or other authorized pricing resources.
- Provide MHS access to Hotel's sales budgets for goal setting and inventory via sales systems. This information will be used for the limited purpose of facilitating Program services.

III. Financial Considerations:

- Provide Program personnel with a verified budget for each Hotel, using Program goal setting procedures, to ensure that reasonable goals are established for sales channels. Marriott's reliance on Franchisee's goals in providing services for the Program is not a guaranty or warranty that any specific goal is achievable or that the goals will be met by you and/or Marriott.
- Provide annual goals to Program by end of January.

IV. Participation:

- Provide Program personnel with detailed Hotel information on facilities, services, selling guidelines, etc. as outlined in Franchise Hotel Onboarding Checklist (to be provided upon request).
- Complete onboarding checklist prior to program state date. Checklist includes, but is not limited to:
  - Hotel Information Resource detailing facilities, services, selling guidelines, concessions, etc.
  - Establishing contracting strategy and documents
  - System set-up
  - Funnel transition for applicable participation parameters
  - Sales Companion set-up
  - Processes and standards review and implementation
- Address all comments or questions related to the performance of the Program team to appropriate Multi Hotel Sales leadership proactively. Engage Multi Hotel Sales leadership in concerns, questions and other issues in a manner to gain understanding of plans and performance.

SHARED SERVICES AGREEMENT
ATTACHMENT B
OBLIGATIONS OF FRANCHISEE

V. Minimum Revenue Management Requirements:

A. Designated Resources

Use one of the following designated revenue management resources:

1. **In Market Marriott Services Revenue Management**. Revenue management resources are paid for through a service agreement in the Market.
2. **Marriott's Revenue Management Advisory Services.** Revenue management resources are paid for through a service agreement with Marriott's Revenue Management Advisory Services.
3. **Franchise Hotel or Company Revenue Management**. A hotel or franchise management company resource to provide Revenue Management services and support to the Program sales channels.
4. **Hybrid**. A combination of the designated resources above with Program support responsibilities communicated to the Program and detailed in the Hotel Information Resource.

B. Services and Support

- Systems: Use SFAWeb with FSI or CI/TY and One Yield as the hotel's sales and revenue management systems or similar authorized system.
- Total Hotel Goal Setting: Maintain total group, transient, and contract rooms, average daily rate (ADR), and revenue goals for the Hotel's current booking window (minimum 2 years) in the One Yield Total Hotel Goal Setting system or similar authorized system. Enter this information in One Yield or similar authorized system.
- Group Pricing: Set and communicate pricing to Marriott by using Group Pricing Optimizer (GPO) or similar authorized pricing tool. In providing the Shared Services, Marriott will adhere to Franchisee's pricing decisions, as reflected in GPO or otherwise provided by Hotel management (as described in Paragraph 5.d of the Shared Services Agreement), when developing group sales proposals or executing customer contracts for group events at the Hotel. In the absence of specific pricing direction, Franchisee authorizes Marriott to offer group pricing on Franchisee's behalf within the range recommended by GPO, or similar authorized system, that is determined, in part, using the attributes established by Franchisee in the One Yield Total Hotel Goal Setting System or similar authorized system.
- Group Business Evaluation: Have resource(s) available to handle questions and requests from Program Sales Managers about group leads for the Hotel. For group events that do not meet the guidelines for the Business Evaluation Express process, approve group business evaluation for any pricing outside of the pre-approved ranges communicated via GPO or similar authorized pricing tool. Respond to all leads sent to the Hotel during standard business hours for business evaluation within one hour (for leads arriving within 6 months) or three hours (for leads arriving beyond 6 months). Franchisee will also set and communicate the maximum percentage, if any, that Marriott may modify a group sales proposal in its sole discretion using the Business Evaluation Express process. In the absence a specific maximum percentage, Franchisee authorizes Marriott to modify a group sales proposal by no more than five percent of the estimated total quote revenue through the Business Evaluation Express process. Any modifications to a group sales proposal in excess of the maximum percentage defined by

SHARED SERVICES AGREEMENT

ATTACHMENT B
OBLIGATIONS OF FRANCHISEE

- Franchisee will require authorization from Hotel management (as described in Paragraph 5.d of the Shared Services Agreement).
- Function Space Inventory Management: Provide function space inventory availability through sales and catering systems (FSI in SFAWeb, CI/TY or similar authorized system). Ensure function space is set up and availability maintained.
- Lead Updates: Review Hotel sales funnel and reference Quote Comments from Program personnel.
- Hotel Strategy Updates: Communicate any changes in strategy (pricing, contract terms, need times, inventory availability, etc.), to the Program personnel so that sales action plans and resources can be modified to meet the Hotel's needs.

VI. Other:

Comply with any other obligations and requirements that are required of all Participating Franchise Hotels in the Program, which obligations and requirements may be modified from time to time by Marriott in its reasonable discretion.

SHARED SERVICES AGREEMENT

EXHIBIT A.2 – Local Catering Multi Hotel Sales

METHODOLOGY FOR ALLOCATION OF ONGOING OPERATING COSTS

The Program is comprised of Local Catering Multi Hotel Sales, which ongoing operating costs will be distributed among the participating Hotels based on the following:

Local Catering Multi Hotel Sales operating costs will be distributed to all participating Hotels each month based on the following:

- 80% of the unit costs will be allocated based on the pro-rated share of each hotels calculated direct and indirect deployment of resources. This may include hotel/owner requested additional resources.
- 20% of the unit costs will be allocated based on the pro-rated share of each hotel's annual Goal.

- This methodology will not generate true-ups following actualization.
- Deployment will be reviewed quarterly, and future shares may change as a result of that redeployment. Hotel goals are typically not known early in the budget cycle and will change cost shares as final goals become available.

SCOPE OF SERVICES

The objective of the Program is to direct sell participating Hotels and sell group and banquet events, meeting room space and other business for the Hotel to customers to attempt to meet Hotel budget requirement for extended stay and group business.

To accomplish this objective, Local Catering Multi Hotel Sales Team will provide services that include the following:

- Lead refer opportunities from sales area to sales area to ensure opportunities are developed for hotels across the Market.
- Provide active follow up on business opportunities to close those that meet Hotel strategy.
- Work with property Sales leadership to implement direct sales strategies that address market conditions and customer requirements.
- Provide proposals to potential customers and negotiate and draft customer contracts based upon pre-approved pricing authorization provided to Marriott by Hotel.
- Build and maintain a positive communication link between the Hotel and sales organization in order to keep Hotel leadership effectively informed of market trends and conditions, competitive information and customer needs to help the Hotel best capitalize on the demand available in the Market.

SHARED SERVICES AGREEMENT

ATTACHMENT B
OBLIGATIONS OF FRANCHISEE

The following are responsibilities of the hotel as part of participation in the Multi-Hotel Sales (MHS) Shared Service Program (hereafter referred to as the "Program").

I. Business Processes:

- Support effective Event Management and use and support the Program group and catering turnover process and billing.
- Make all Hotel group and catering inventory available to applicable Program sales channels: Regional Multi Hotel Sales Team, Centralized Multi Hotel Sales Team or Multi Hotel Sales Local Catering Team.
- Maintain function space availability in the standard Marriott sales system based on hotel type.
    - Function Space Inventory (FSI) feature of Sales Force Automation (SFAWeb) for Marriott Select Brand hotels
    - Consolidated Inventory/Total Yield (CI/TY) for Full Service hotels.
- All leads for group or catering business within the Program participation parameters must be directed to the appropriate Program sales channel.
- All Sales Agreements will include the following clause:
    - **ENTIRE AGREEMENT**

      This Agreement constitutes the entire agreement between Hotel and [ORGANIZATION NAME] pertaining to the Room Night Commitment and event. [ORGANIZATION NAME] acknowledges and agrees that it has entered into this agreement exclusively with Hotel, and not Marriott International, Inc. or any of its subsidiaries or affiliates. Hotel is an independent franchisee of Marriott International, Inc. Hotel is solely responsible for fulfilling its obligations as set forth herein and Marriott International, Inc. and its subsidiaries and affiliates do not guaranty or warranty Hotel's obligations hereunder.

- Countersign all sales agreements within 24 hours or as required by the applicable business process. Provide Program list of authorized hotel signers.
- Comply with standard Program business processes including, but not limited to:
    - OM1.1 Local Catering Events (if applicable)
    - OM1.3 Affiliate Process
    - OM2.5 Business Evaluation
    - BE Express Job Aid (marriott.com)
    - OM4.2 Letter of Intent (optional)
    - OM8.2 Pop-Up Business for Property Sales & Sales Office
    - OM8.3.2 Transient High Touch Bookings
    - Opportunity Distribution (Front Office Team)
        - OM8.4 Full-Service

- OM8.4.1 Marriott Select Brands
- OM8.4.2 Resorts

- OM8.5 Opportunity Changes Prior to Turnover Acceptance
- OM8.5.1 Turnover Process
- OM8.6 Changes to Opportunities Post Turnover Acceptance
- OM10.1 Site Inspection: Multi-Hotel Sales Parameters
- OM11.1 Walk-In Opportunities

II. Communications:

- Set and communicate Hotel sales strategy and guidelines, including but not limited to: Hotel need dates, rental parameters, concession grid, via Group Pricing Optimizer (GPO) and corresponding GPO Notes, Hotel Information Resource and/or other authorized pricing resources.
- Provide MHS access to Hotel's sales budgets for goal setting and inventory via sales systems. This information will be used for the limited purpose of facilitating Program services.

III. Financial Considerations:

- Provide Program personnel with a verified budget for each Hotel, using Program goal setting procedures, to ensure that reasonable goals are established for sales channels. Marriott's reliance on Franchisee's goals in providing services for the Program is not a guaranty or warranty that any specific goal is achievable or that the goals will be met by you and/or Marriott.
- Provide annual goals to Program by end of January.

IV. Participation:

- Provide Program personnel with detailed Hotel information on facilities, services, selling guidelines, etc. as outlined in Franchise Hotel Onboarding Checklist (to be provided upon request).
- Complete onboarding checklist prior to program state date. Checklist includes, but is not limited to:
  - Hotel Information Resource detailing facilities, services, selling guidelines, concessions, etc.
  - Establishing contracting strategy and documents
  - System set-up
  - Funnel transition for applicable participation parameters
  - Sales Companion set-up
  - Processes and standards review and implementation
- Address all comments or questions related to the performance of the Program team to appropriate Multi Hotel Sales leadership proactively. Engage Multi Hotel Sales leadership in concerns, questions and other issues in a manner to gain understanding of plans and performance.

SHARED SERVICES AGREEMENT

ATTACHMENT B
OBLIGATIONS OF FRANCHISEE

V. Minimum Revenue Management Requirements:

A. Designated Resources

Use one of the following designated revenue management resources:

1. **In Market Marriott Services Revenue Management**. Revenue management resources are paid for through a service agreement in the Market.
2. **Marriott's Revenue Management Advisory Services.** Revenue management resources are paid for through a service agreement with Marriott's Revenue Management Advisory Services.
3. **Franchise Hotel or Company Revenue Management**. A hotel or franchise management company resource to provide Revenue Management services and support to the Program sales channels.
4. **Hybrid**. A combination of the designated resources above with Program support responsibilities communicated to the Program and detailed in the Hotel Information Resource.

B. Services and Support

- Systems: Use SFAWeb with FSI or CI/TY and One Yield as the hotel's sales and revenue management systems or similar authorized system.
- Total Hotel Goal Setting: Maintain total group, transient, and contract rooms, average daily rate (ADR), and revenue goals for the Hotel's current booking window (minimum 2 years) in the One Yield Total Hotel Goal Setting system or similar authorized system. Enter this information in One Yield or similar authorized system.
- Group Pricing: Set and communicate pricing to Marriott by using Group Pricing Optimizer (GPO) or similar authorized pricing tool. In providing the Shared Services, Marriott will adhere to Franchisee's pricing decisions, as reflected in GPO or otherwise provided by Hotel management (as described in Paragraph 5.d of the Shared Services Agreement), when developing group sales proposals or executing customer contracts for group events at the Hotel. In the absence of specific pricing direction, Franchisee authorizes Marriott to offer group pricing on Franchisee's behalf within the range recommended by GPO, or similar authorized system, that is determined, in part, using the attributes established by Franchisee in the One Yield Total Hotel Goal Setting System or similar authorized system.

Group Business Evaluation: Have resource(s) available to handle questions and requests from Program Sales Managers about group leads for the Hotel. For group events that do not meet the guidelines for the Business Evaluation Express process, approve group business evaluation for any pricing outside of the pre-approved ranges communicated via GPO or similar authorized pricing tool. Respond to all leads sent to the Hotel during standard business hours for business evaluation within one hour (for leads arriving within 6 months) or three hours (for leads arriving beyond 6 months). Franchisee will also set and communicate the maximum percentage, if any, that Marriott may modify a group sales proposal in its sole discretion using the Business Evaluation Express process. In the absence a specific maximum percentage, Franchisee authorizes Marriott to modify a group sales proposal by no more than five percent of the estimated total quote revenue through the Business Evaluation Express process. Any modifications to a group sales proposal in excess of the maximum percentage defined by

SHARED SERVICES AGREEMENT

ATTACHMENT B
OBLIGATIONS OF FRANCHISEE

- Franchisee will require authorization from Hotel management (as described in Paragraph 5.d of the Shared Services Agreement).
- Function Space Inventory Management: Provide function space inventory availability through sales and catering systems (FSI in SFAWeb, CI/TY or similar authorized system). Ensure function space is set up and availability maintained.
- Lead Updates: Review Hotel sales funnel and reference Quote Comments from Program personnel.
- Hotel Strategy Updates: Communicate any changes in strategy (pricing, contract terms, need times, inventory availability, etc.), to the Program personnel so that sales action plans and resources can be modified to meet the Hotel's needs.

VI. Other:

Comply with any other obligations and requirements that are required of all Participating Franchise Hotels in the Program, which obligations and requirements may be modified from time to time by Marriott in its reasonable discretion.

SHARED SERVICES AGREEMENT

EXHIBIT B.1 - Area Sales
METHODOLOGY FOR ALLOCATION OF ONGOING OPERATING COSTS

The Program is comprised of Area Sales, which ongoing operating costs will be distributed among the participating Hotels based on the following:

Area Sales operating costs will be distributed as follows:

- For **Market Strategy Leaders,** the costs are allocated each period based on each represented hotel's share of the total room keys of all represented hotels.
    - Room keys for any individual hotel or pre-approved complex locations sold together are limited to 750.
- For **Tactical Area Sales Leaders,** the costs are allocated each period based on each represented hotel's share of the total room keys of all represented hotels.
    - Room keys for any individual hotel or pre-approved complex locations sold together are limited to 750.
- For the **Citywide Sales teams**, the costs are allocated each period based on each represented hotel's estimated share of the annual citywide room nights booked for those customers served by the Citywide Sales team.
    - The allocation of Citywide Sales Team operating costs is trued-up on a periodic basis based on each represented hotels's actual year-to-date share of the applicable volume metric(s).

SCOPE OF SERVICES

The objective of the Program is to provide both tactical and strategic leadership support to participating Hotels in order to meet Hotel budget requirement for transient, extended stay and group business.

To accomplish this objective, Area Sales Team will provide services that include the following:

- Serves as the primary sales contact for the General Managers (GMs), AVP's and property leadership teams.
- Focuses on building each property's top line revenue by developing a sales strategy that utilizes on-property and off-property sales channels to deliver results.
- Ensures area Sales and Marketing strategies and programs are in alignment with the overall market goals.
- Manages the development and execution of a strategic account plan for the demand generators in the market, and confirms sales team is leveraging Marriott International (MI) demand engines to full potential.
- Engages with owners and asset managers and communicate account strategy and hotel's performance metrics.
- Assists in the development of key company-wide initiatives by providing detailed feedback, as well as commitment and support.
- Builds effective relationships with all internal and external (e.g., owners / franchisees, General Managers) stakeholders.
- Implements decision-making that balances the needs of the various stakeholder groups and promotes the long-term viability of the business.
- Partners on cross functional initiatives in collaboration with Revenue Management, Marketing and Digital leadership on the pull through of key discipline strategies.

SHARED SERVICES AGREEMENT

ATTACHMENT B
OBLIGATIONS OF FRANCHISEE

I. Business Processes:

- Hotel will be required to keep office space with at least one "touch down" workspace for Area Sales. Space will include two phones and two high speed internet access lines at no charge to Marriott or the Program.
- Hotel will use Marriott's standard template materials for all owner meetings including sales reporting.
- Hotel will host Area Sales meetings on a rotating basis at Hotel's expense.
- General Manager will ensure effective Event Management support at the Hotel and use and support Marriott's standard group and catering turnover process and billing requirements.
- All Hotel group and catering inventory will be made available to all sales channels and as necessary, maintained by sales channels.
- MSB hotels will use Function Space Inventory (FSI) feature of Sales Force Automation (SFAWeb) to keep and maintain function space availability via Multi Hotel Sales. Hotel in house meetings will be booked by Multi Hotel Sales using FSI. Full Service hotels will use Consolidated Inventory/Total Yield (CI/TY).
- All leads for group, or catering business must be directed to the appropriate Marriott sales channel; Area Sales or Multi Hotel Sales.

II. Communications:

- General Managers, Area Sales Leaders and Area Directors will meet to discuss team performance and progress as established by Area Sales Leader.
- Revenue Management and General Manager will identify sales strategy and General Manager will communicate sales strategy and Hotel need dates to Area Sales Team.
- Hotel will give the Program personnel access to Hotel's sales and marketing budgets, statements, inventory and sales systems in a form and manner easily accessible to Marriott.
- Hotel will be provided communication on sales organization performance on Marriott's standard form of report for similarly situated Hotels. Ad hoc reports will be provided only with the approval of the Market Sales Leader.

III. Financial Considerations:

- Hotel will provide the Program personnel with copies of Hotel verified budgets in order to set proper goals for sales engines using One Yield goal setting procedures.
- Budget and Hotel segmentation must be established with consultation of the Program leadership including Area Sales Leader, Area Director and Multi Hotel Sales leadership.
- Budget growth for Hotels should not exceed Marriott-recommended guidelines for RevPAR and revenue growth by brand except as approved by Marriott's Regional Vice President Sales & Marketing.

IV. Participation:

- General Managers must participate in:
    - Lead Review process established for appropriate brand
    - All other prescribed market and area meetings as determined by Area Sales Leadership

- Hotel will offer all necessary assistance to train sales organization on Hotel facilities, services, selling guidelines, etc. as outlined in Hotel Participation Check List (to be provided upon request).

- Hotel will address all comments or questions related to the performance of the Program team to appropriate Area Sales or Multi Hotel Sales leadership proactively. It is the responsibility of the Hotel General Manager to engage Area Sales and Multi Hotel Sales leadership in concerns, questions and other issues in a manner to gain understanding of plans and performance as Hotel General Manager would any sales force working on behalf of the Hotel.

V. Minimum Revenue Management Requirements:

A. Designated Resources

Every Hotel must have one of the following designated revenue management resources:

1. **In Market Marriott Services Revenue Management**. Revenue management resources are paid for through a service agreement in the Market.

2. **Centralized MI Inventory Services**. Revenue management resources are paid for through a service agreement with Marriott's centralized Inventory Services group.

3. **Franchise Hotel or Company Revenue Management**. With the prior consent of Marriott, the Hotel designates a resource on-property to provide Revenue Management services and support to the Program organization.

4. **Hybrid**. The Hotel elects either of number 2 or number 3, above, and, at Marriott's discretion, provides additional support necessary from General Manager or designee.

B. Services and Support

- Systems: Hotel must have SFAWeb or CI/TY, FSI and One Yield in place.

- Total Hotel Goal Setting: Hotel must have total group, transient, and contract rooms, ADR, and revenue goals for the Hotel's current booking window (minimum 2 years) maintained in the One Yield Total Hotel Goal Setting system. The General Manager will be responsible for setting and having this information entered in One Yield.

- Group Pricing: Hotels must set and communicate pricing to the sales force by using Group Pricing Optimizer (GPO).

- Group Business Evaluation: Hotel must have resources available to handle questions and requests from Sales Managers about group leads for the Hotel. All leads sent to the Hotel during standard business hours for business evaluation must be responded to within one hour (for leads arriving within 6 months) or three hours (for leads arriving beyond 6 months).

Function Space Inventory Management: Hotel must provide function space inventory availability through their sales and catering systems or through FSI in SFA Web or CI/TY. Meeting rooms

- must be set-up and clean availability of diary space maintained for the sales force. The General Manager will be responsible for ensuring that function space is set-up and availability maintained.

- Lead Review: Hotels must review the sales funnel and identify critical leads and communicate these to the Program personnel on a regular (bi-weekly) basis.

- Hotel Strategy Updates: Hotels must communicate any changes in strategy (changes to pricing, contract terms, inventory availability, etc), forecasts, or need times on a timely basis to the Program personnel so that sales action plans can be modified to meet the Hotel's needs.

VI. Other:

Hotel must comply with any other obligations and requirements that are required of all Participating Hotels in the Market, which obligations and requirements may be modified from time to time by Marriott in its reasonable discretion.

SHARED SERVICES AGREEMENT

EXHIBIT B.1(F) -Franchise Business Transient Plus Program

METHODOLOGY FOR ALLOCATION OF ONGOING OPERATING COSTS

Franchise Business Transient Plus Program costs will be distributed to all participating Hotels based on annual tier cost. Each year, tier and program costs will be evaluated, and annual recommendations will be provided during the annual enrollment process; and any new rates will be applied to all participating Hotels the following year.

SCOPE OF SERVICES

The objective of the Program is to provide Business Transient support for Marriott's U.S./Canada Account Sales team for accounts which are not already included in Marriott's Franchise BT pricing process. These segments include Airline, Wholesale, and TMC/Consortia.

SHARED SERVICES AGREEMENT

ATTACHMENT B
OBLIGATIONS OF FRANCHISEE

There will be a 2-year wait period for all participating hotels who opt-out of the program before becoming eligible to sign up again.

SHARED SERVICES AGREEMENT

EXHIBIT B.2 - Area Sales-Sales Executive-MSB

METHODOLOGY FOR ALLOCATION OF ONGOING OPERATING COSTS

The Program is comprised of Area Sales-Sales Executive-MSB representative, which ongoing operating costs will be distributed among the participating Hotels based on the following:

- 100% of costs based on each participating Hotel's number of rooms.

SCOPE OF SERVICES

The objective of the Program is to drive revenue to achieve Hotel's topline goals for each of the participating Hotels.

To accomplish this objective, Area Sales – Sales Executive – MSB representative will provide services that include the following:

- Drives revenue by proactively soliciting all business segments; to include new business from small business account, sourcing new accounts, identifying new targets, and re-soliciting past business leads. Focuses on properties' BT Pricing strategy. Provides support by coordinating and executing internal mining efforts at assigned hotels. Partners with Leadership to ensure competitive sales strategies are in place for the hotel and stay competitive within the market by aligning on sales activities to generate business and communicate real-time competitor intel. Works closely with hotel GM/Property Sales team, focuses on sales driven tasks. May work with Local Sales and Account Sales/GSO teams to drive production from targeted high priority account including maximizing special corporate business within the represented marketplace.

CUSTOMER ENGAGEMENT CENTER PROPERTY SUPPORT SERVICES AGREEMENT

Hotel Name, Hotel Address, State, City, Postal Code (the "Hotel" or "Participant").

Marriott International, Inc. or its affiliates ("Marriott") agrees to provide the following Customer Engagement Center Property Support Services (collectively, the "Services") for the benefit of the Hotel:

A. Marriott will handle calls for the Hotel received at the Hotel to make Hotel reservations and will complete the process relating to a booking (the "CEC PSS Calls").

B. Upon request, provide services such as data input relating to e-mail, queues, group housing functions and online travel agent manual processing, as required, at rates determined by Marriott.

C. Dedicated Telephone Line:

Upon execution of this Agreement, Marriott shall provide a dedicated telephone line with **CEC PSS** for the Hotel. By using this number, the **CEC** team will be able to recognize the caller as a customer for the Hotel because the hotel MARSHA code will be displayed on CEC telephones. Participant must advise its switchboard operators and program the number into the Hotel's switchboard where appropriate.

Hotel shall pay for the telecom costs relating to installation, line rental, and Line usage where relevant.

Hotel agrees that [customer] calls will only be forwarded to the above-referenced property-designated CEC phone line. Hotel further acknowledges and agrees that It is strictly prohibited to forward calls to the central reservation phone line or any brand phone lines. Marriott conducts routine audits of central reservation and brand lines and any phone calls wrongly forwarded by the Hotel in contravention of this Agreement will result in the Hotel being charged for the call or reservation, as applicable, at current PSS rates.

Periodic Performance Updates:
The Marriott **CEC PSS** team will provide periodic updates, which will include information on the number of calls offered, calls handled, and reservations booked for your Hotel.

Expected change in Process:
Participant will inform the **CEC PSS** team regarding any changes of contact information at the Hotel, as well as changes to reservation processes.

Expected change in Call Volume:
Participant will immediately inform the Marriott **CEC** team about any material changes in the expected call volume. This would facilitate the **CEC** team to handle as many calls as possible on behalf of the Hotel.

Fee. Marriott will charge Participant a fee for the Services as set forth in the Shared Service Agreement. Participant agrees to pay such fees within (15) days of receipt of the electronic invoice. Marriott may modify the fee with respect to each renewal term of this Agreement upon notice to Participant, subject to Participant's right of non-renewal discussed below. Each Participant will be charged throughout the year based on the estimated cost per Transaction or cost per hour, provided however that Marriott reserves the right, but not the obligation, to apply a true-up adjustment to the charges prior to year-end.

Stamp Duty: Participant will pay any stamp duty applicable to these services from its own funds and not as a Deduction.

Term and Termination: The initial term of this Agreement shall begin on the date Services commence and shall expire at the end of Marriott's fiscal year ("Fiscal Year") then in effect. (Marriott's Fiscal Year currently expires at the end of the Friday nearest December 31 in a given calendar year, and a new Fiscal Year begins at the start of the immediately following Saturday, but the parties agree that Marriott may amend its Fiscal Year at any time in its reasonable discretion, in which case the term of this Agreement shall adhere to the new Fiscal Year.) This Agreement shall automatically renew for successive terms of one Fiscal Year unless either party provides electronic notice of non-renewal at least thirty (30) days in advance of the expiration of the then-current term. In addition, if the fee Marriott will charge for the Services during any renewal term increases from the prior Fiscal Year, Participant shall have the right to not renew this Agreement as of the end of the last day of the then-current term by delivering electronic notice of such non-renewal to Marriott within seven (7) days after Participant is notified of the new fee for the Services that will be in effect for the renewal term.

Withholding. The amounts payable to Marriott will not be reduced by any deduction or withholding for any present or future taxes, levies, imposts, duties, fees, charges or liabilities imposed by any governmental authority in the country where the Hotel is located, including any interest, additions to tax or penalties applicable to any of the foregoing (collectively, "Taxes"). If Legal Requirements impose an obligation on Participant to deduct or withhold Taxes directly from any amount paid to Marriott, then Participant will deduct or withhold the required amount and will timely pay the full amount deducted or withheld to the relevant governmental authority in accordance with Legal Requirements. The amount paid to Marriott will be increased so that after the deduction or withholding has been made in accordance with Legal Requirements, the net amount actually received by Marriott will equal the full amount originally invoiced or otherwise payable. To the extent any Legal Requirements require or allow any such deduction, payment or withholding to be paid by Participant directly to a governmental authority, Participant must account for and pay such amounts promptly and provide Marriott with receipts or other proof of such payment promptly upon receipt.

If Legal Requirements do not impose an obligation on Participant to deduct or withhold Taxes directly from any amount paid to Marriott, but require Marriott to pay such Taxes, then Participant will pay Marriott, within 15 days after request, the full amount of the Taxes paid or payable by Marriott with respect to such payment so that the net amount actually retained by Marriott after payment of any Taxes will equal the full amount originally invoiced or otherwise payable.

Value Added Tax & Similar Taxes. The amounts payable to Marriott will not be reduced by any value added, goods and services, sales or similar taxes, all of which will be paid by Participant. Therefore, in addition to making any payment to Marriott required under this Agreement, Participant will (i) pay Marriott the amount of these taxes due with respect to the payment; or (ii) if required or permitted by Legal Requirements, pay these taxes directly to the relevant taxing authority. If a reverse charge mechanism is available to Participant, Participant will promptly account for and pay these taxes in accordance with Legal Requirements.

Authorization and approval signatures must be noted below.
I have reviewed the Shared Service Agreement and the associated costs outlined in these pages. I confirm that I have the authority to bind my hotel(s) to participate in the shared activity and to accept the costs incurred in providing the service(s).

ADDENDUM TO CUSTOMER ENGAGEMENT CENTER
PROPERTY SUPPORT SERVICES AGREEMENT

Property Support Services – Non-Crisis Situation

OBLIGATIONS OF PARTICIPANT

1. Participant agrees to submit/update CEC Property Support Services eFast agreement to be charged the then-current annual hourly Time & Materials rate based on the region they are in for any reservation relocation work. The rate is subject to change annually.
2. Participant agrees to provide support to Marriott CEC in addressing any escalated guest issues.
3. Participant agrees to be charged for any compensation required to resolve guest issues. In connection with providing the Services, Marriott may notify people with reservations at the Hotel or existing guests at the Hotel. Marriott will not be liable for any losses, including, but not limited to, losses resulting from cancellation of reservations or early departures, that might occur as a result of, or subsequent to, such people receiving such notice. Participant will reimburse Marriott for any costs associated with the relocation of people to other Marriott lodging products as a result of, or subsequent to, such people receiving such notice or in connection with providing the Services, including costs associated with relocating Marriott Bonvoy redemptions reservations. In order to ensure orderly guest experiences and Hotel operations, Marriott may have already taken actions authorized under this Agreement, and Participant hereby consents to the taking of such actions by Marriott. The rights granted to Marriott under this Agreement are rights of Marriott and its affiliates. Actions authorized under this Agreement may be performed by any affiliate of Marriott.

FRANCHISE OPERATIONS SUPPORT RESOURCES SERVICES AGREEMENT

This Franchise Operations Support Resources Services Agreement (this "Agreement") is entered into as of ***(date)***, ***(year)*** by and between Marriott International Administrative Services, Inc., a _____ corporation ("Marriott"), and ***(name of company)***, a _____ corporation ("Franchisee").

WHEREAS, an affiliate of Marriott and Franchisee are parties to a Franchise Agreement dated _____ (the "Franchise Agreement"); and

WHEREAS, for a period of time, Franchisee wishes to obtain from Marriott and Marriott agrees to provide to Franchisee certain consulting support;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

Section 1. Definitions.

"Employment Based Claim" means a claim raised or made by or on behalf of a present or former Service Provider or beneficiary thereof and that either relates to employment matters or is based on an employer-employee relationship, including, without limitation, any workers' compensation claim.

"Hotel" means the unit where the Service Provider is working with the Franchisee.

"Loss" means any cost, damage, disbursement, expense, liability, loss, deficiency, diminution in value, obligation, penalty or settlement of any kind or nature, including without limitation interest or other carrying costs, penalties, legal, accounting and other professional fees and expenses incurred in the investigation, collection, prosecution and defense of actions or claims and amounts paid in settlement, that may be imposed on or otherwise incurred or suffered by the specified person.

"Service Provider" means the individual referenced in the attached Schedule;

"Start Date" means the date Service Provider commences work with the Franchisee.

"Term" means the term of the relationship with respect to each Service Provider as set forth in Section 2.B.

"Termination Date" means the date Service Provider is scheduled to end work for the Franchisee.

Capitalized Terms not otherwise defined herein shall have the meanings set forth in the Franchise Agreement.

Section 2. Scope of Support Services and Term.

A. Effective as of the Start Date listed in the Schedule, Marriott shall provide the services of the Service Provider to Franchisee for consulting at the Hotel for the period and on the terms set forth below.

B. The services to be provided by the Service Provider are set forth in the attached Schedule. No Service Provider shall act as, or perform the duties of, General Manager, Director of Finance, or Director of Human Resources, or perform any duties in the engineering or revenue management discipline.

C. Franchisee shall retain the exclusive authority and responsibility for day-to-day management of the Hotel. Franchisee shall employ a General Manager who is not an employee of Marriott. The General Manager shall have, and perform, all duties of the General Manager, as set forth in the Franchise Agreement.

D. Service Provider, in providing support services, may make recommendations or suggestions regarding any aspect of operation of the Hotel, including but not limited to recommendations or suggestions regarding pricing, inventory, room allocation, rate allocation or staffing. Both parties expressly acknowledge and agree that Franchisee is under no obligation to accept any such recommendations or suggestions made by Service Provider in connection with this Agreement. Franchisee expressly reserves the right, and confirms its obligation, independently to make any and all decisions relating to pricing, hiring, scheduling, disciplining and terminating personnel and all other management issues. The Service Provider will not exercise any direction or control over the employment policies or employment decisions of Franchisee.

E. The term of this Agreement with respect to the Service Provider shall commence on the Start Date and shall terminate upon the earliest of:

(i) the Termination Date provided in the Schedule;

(ii) fourteen (14) calendar days after receipt by Marriott of written notice from Franchisee that this Agreement is terminated with respect to such Service Provider;

(iii) a maximum of twelve (12) weeks from the Service Provider's Start Date; or

(iv) the date on which such Service Provider terminates employment with Marriott for any reason.

F. Upon the termination of employment with Marriott of the Service Provider for any reason, Marriott shall not have any obligation to provide for the replacement of such Service Provider whether through hire, reassignment or otherwise.

G. During the Term with respect to Service Provider, Marriott will provide all services and benefits relating to such Service Provider, including, without limitation, payroll services and retirement and welfare benefits, substantially as such services and benefits are currently provided in respect of such employee by Marriott prior to the Term.

H. Franchisee shall pay Marriott the daily rate for each day worked by the Service Provider at the Hotel based on the rate forth in the Schedule. The full daily rate will be charged regardless of whether the Service Provider works a full day or partial day. Expenses related to the Service Provider's travel to and from the Hotel and for meals and related travel expenses will be itemized separately and billed to the Franchisee. Marriott will bill Franchisee periodically for all such amounts and payment will be due upon receipt by Franchisee of the bill.

I. Promptly, upon notice, (i) Franchisee shall reimburse Marriott for any Loss related to any Employment Based Claim of Service Provider for which Marriott shall be indemnified by Franchisee pursuant to Section 4.B, and (ii) Marriott shall reimburse Franchisee for any Loss related to any Employment Based Claim of the Service Provider for which Franchisee shall be indemnified by Marriott pursuant to Section 4.A.

J. Franchisee acknowledges and agrees that Marriott has no responsibility for and has made no commitments, warranties or representations relating to the performance of the Hotel during the Term of this Agreement. Nothing contained herein should be considered a representation or warranty by Marriott that any recommendations made by, or actions taken by, the Service Provider will produce, increase or optimize profits of Franchisee.

Section 3. <u>Employee Rights</u>.

A. Nothing herein expressed or implied shall confer upon Service Provider any rights or remedies, including any right to employment or continued employment for any specified period, of any nature or kind whatsoever under or by reason of this Agreement.

B. Nothing in the Agreement shall be deemed to confer upon any person (or any beneficiary thereof) any rights under or with respect to any plan, program or arrangement to be provided by Marriott as part of its obligations under this Agreement, and each person (and any beneficiary thereof) shall be entitled to look only to the express terms of any such plan, program or arrangement, as the same may be amended from time to time in accordance with its terms, for his or her rights thereunder.

C. Except to the extent inconsistent with this Agreement or any applicable law, nothing herein shall prohibit Marriott from establishing, amending or terminating any employee benefit plan, arrangement, program, practice, policy or procedure.

Section 4. Indemnification.

A. Marriott agrees to indemnify and hold harmless Franchisee and its directors, officers, employees, affiliates, agents and assigns, as applicable, from and against any and all Losses based upon or arising from any Employment Based Claim of the Service Provider the basis of which is an act or omission in connection with or relating to the employment of the Service Provider other than during the Term.

B. Franchisee agrees to indemnify and hold harmless Marriott and its directors, officers, employees, affiliates, agents and assigns, as applicable, from and against any and all Losses based upon or arising from (i) any Employment Based Claim of the Service Provider the basis of which is an act or omission in connection with or relating to the employment of the Service Provider during the Term, (ii) the performance of services or duties by the Service Provider under or in connection with this Agreement, including allegations of negligence by Service Provider, and (iii) any Hotel operations, or losses or injury arising as a result of Hotel operations, during the Term.

C. The provision of this Section 4 shall survive the termination of the Term with respect to the Service Provider.

Section 5. Insurance

Franchisee must provide and submit evidence to Marriott of adequate insurance in accordance with the Franchise Agreement and employment practices liability in an amount not less than $1,000,000 per occurrence including coverage for harassment, discrimination, wrongful termination, and third-party discrimination and harassment (if third-party discrimination and harassment coverage is not part of the commercially general liability policy). Marriott shall be named as an additional insured on the general liability and umbrella/excess liability policies and all coverage specified in the Franchise Agreement and in this Section 5 shall be primary and non-contributory to any other coverages Marriott may carry. All insurance policies required under the Franchise Agreement and in this Section 5 shall contain a waiver of subrogation in favor of Marriott and Franchisee shall waive all rights of recovery against Marriott. Franchisee shall deliver certificates of insurance (and if requested by Marriott original copies of the above policies) which evidence the required coverages, and any renewals thereof prior to the policy expiration to Marriott. Prior to execution of this Agreement, a certificate of insurance evidencing the required insurance and additional insured endorsement shall be attached as Exhibit A.

Section 6. Miscellaneous.

A. Neither this Agreement nor any rights or obligations under it are assignable.

B. 1. Any dispute between Marriott and Franchisee arising out of or in connection with this Agreement or any alleged breach hereof may, at the option of either Marriott or Franchisee, be submitted for discussion and possible resolution by senior officers of Marriott and Franchisee, for a period of 30 days (or such longer period as the parties may in particular cases so decide) before initiating any arbitration pursuant to the provision of Section 6.B.2.

2. Any dispute between Marriott and Franchisee arising out of or in connection with this Agreement or any alleged breach hereof which is not resolved pursuant to the procedure described in Section 6.B.1. shall be subject to final and binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. In agreeing to this subsection, Marriott and Franchisee express their desire to have disputes resolved through such private alternative dispute resolution to the fullest extent permitted by law.

C. Any notice or other communication hereunder must be given in writing and shall be deemed received, if mailed, three days after deposit in the mails with first class postage prepaid, or if given by any other means, when actually received. Any notice or other communication hereunder shall be delivered as follows:

If to Marriott, to:
Marriott International, Inc.
7750 Wisconsin Avenue
Bethesda, Maryland 20814
Attn: Lodging Operations Attorney
for the Americas
Dept. 52/923.27

If to Franchisee, to:
(Name of Franchise Co.)
(Address)
(Attention:)

D. This Agreement shall be governed by, and construed under, the laws of the State of Maryland, United States of America, without reference to any conflict of laws rules thereof.

E. This Agreement constitutes the entire agreement between the parties hereto which respect to the subject matter hereof, and supersedes all prior understandings or agreements between the parties hereto related to the subject matter hereof.

F. This Agreement does not create an agency relationship of any kind between Marriott and Franchisee, each of whom is an independent contractor with respect to the other for all purposes.

G. Franchisee agrees that it shall not discuss, solicit, or make an offer for employment, nor allow any future manager of the Hotel (other than Marriott) to discuss, solicit or make an offer for employment, to the Service Provider during the Term of this Agreement and for a period of one (1) year thereafter, without Marriott's prior written consent.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Marriott International Administrative Services, Inc. [Franchisee]

By: _____ By: _____

Print Name: _____ Print Name: _____

Title: _____ Title: _____

Greetings!

We look forward to our partnership with you and your hotel.

With this letter you will find the Above Property Rooms Control (APRC) operational consulting agreement, the cost for annual support, and our service specifications for review. At your earliest convenience, please electronically sign this document.

If you have any questions or concerns, please do not hesitate to contact us at APRC2@marriott.com.

Again, we look forward to partnering with you!

Sincerely,

Burke Giblin
Vice President, Partnership Services | Revenue Management Advisory Services

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TRADITIONAL HOTEL OPERATIONS CONSULTING AGREEMENT

THIS TRADITIONAL HOTEL OPERATIONS CONSULTING AGREEMENT ("Agreement") is made and entered into on _____day of _____, _____ ("Commencement Date") By and between _____ ("Franchisee"), and Marriott International Administrative Services, Inc. ("Franchisor").

RECITALS:

WHEREAS, Franchisor and Franchisee are parties to a Franchise Agreement (as it may be amended, modified, supplemented or restated from time to time, the "Franchise Agreement"), which granted Franchisee the non-exclusive right and franchise to operate the _____ hotel, located at _____ (the "Hotel");

WHEREAS, Franchisor provides certain operational services to certain franchisees of its hotels for a fee;

WHEREAS, Franchisee desires that Franchisor provide certain operational services to Franchisee with respect to the Hotel; and

WHEREAS, Franchisor desires to provide certain support services to Franchisee with respect to the Hotel, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby specifically acknowledged, the parties agree as follows:

1. **Scope of Services.** Franchisor shall provide the operational services set forth on Schedule "A" attached hereto and made a part hereof (the "Services") to Franchisee with respect to the Hotel. If the hotel did not participate in Franchisor's services in the previous calendar year, Franchisor shall provide the set-up services described in Schedule C, for the fee set forth in Schedule C. The set-up services shall otherwise be deemed part of the "Services" for purposes of this Agreement. Franchisor's personnel who assist in providing the Services shall be qualified in and dedicated to hotel operations. Both parties acknowledge and agree that Franchisee is under no obligation to comply with any recommendations made by Franchisor in connection with this Agreement, including but not limited to, recommendations regarding inventory, group blocks, group allocation, or room allocation. Franchisee expressly reserves the right to make, and is ultimately responsible for, any and all decisions relating to inventory and all other APRC tasks. Nothing contained herein should be considered a representation or warranty by Franchisor that compliance with any recommendations made by Franchisor in connection with this Agreement, including but not limited to recommendations regarding inventory, room allocation or rate allocation will produce, increase or optimize profits of Franchisee.

Marriott

CONFIDENTIAL & PROPRIETARY INFORMATION

2. **Confidentiality.** Franchisee shall not, during the term of this Agreement or thereafter, without Franchisor's prior written consent, which consent may be granted or withheld in Franchisee's sole discretion, communicate, transmit, divulge, copy, duplicate, record, or otherwise reproduce, or use for the benefit of any third party or business other than the Hotel, in whole or in part, any documentation, software or other confidential information, knowledge, or know-how associated with the Services provided under this Agreement which may be communicated or provided to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's operation under this Agreement, or otherwise make the same available to any unauthorized person. Franchisee shall divulge such information only to such of Franchisee's employees or agents as must have access to it in order to operate the Hotel; all other persons shall be deemed "unauthorized" for purposes of this Agreement. All such information, including without limitation, aggregated, anonymized market data and recommendations by Franchisor regarding inventory and room allocations, is confidential and provided by Franchisor to Franchisee solely for the purposes of operating the Hotel, and Franchisee expressly acknowledges that such information shall not be used or considered in any respect by the Franchisee in reaching decisions for any other hotels owned, operated or franchised by the Franchisee. Franchisee further acknowledges that it will not divulge to Franchisor any confidential information, including business strategies, about non-Marriott properties that Franchisee owns, operates, or franchises. The information that is the subject of this Section 2 shall be deemed "Confidential Information" for purposes of the Franchise Agreement. The obligations of Franchisee under this Section 2 shall survive the termination of this Agreement.

3. **Extra Services.** Any services not included in the Services shall be performed by Franchisor only when requested by Franchisee in writing and specifically agreed to by Franchisor. Any additional cost or fees to be paid for such extra services shall be agreed to in writing by both parties.

4. **Term and Termination.** The initial term of this Agreement shall begin on the Commencement Date and shall expire either (1) December 31 of that same year, if the Commencement Date is between January 1st and June 30, or (2) December 31 of the next year, if the Commencement Date is between July 1 and December 31. For purposes of clarity, if the Commencement Date is November 5, 2025, the initial term will expire on December 31, 2026. This Agreement shall automatically renew for successive terms of one calendar year each unless either party provides written notice of non-renewal at least ninety (90) days in advance of the expiration of the then-current term. In addition, Franchisee shall have right to terminate this Agreement by providing written notice of such termination to Franchisor within thirty (30) days after receipt of notice of an increase in the fee Franchisor charges for the Services, if such fee increases by more than ten percent (10%) from the prior calendar year, such termination to be effective as of the later of (i) the effective date of the fee increase or (ii) thirty (30) days after such notice of termination is delivered to Franchisor. In the event that Franchisee fails to make any payments required to be made to Franchisor hereunder, which is not cured within ten (10) business days after receipt of notice of non-payment, Franchisor shall have the right to terminate this Agreement upon notice to Franchisee. In addition, if the Franchise Agreement is terminated for any reason during the term of this Agreement, this Agreement shall terminate

at the same time as the Franchise Agreement is terminated; provided that if the Franchise Agreement is terminated and a new franchise agreement is entered (with Franchisee or another person or entity) with respect to the Hotel, this agreement shall be assigned to and assumed by the new franchisee and Franchisee will cause the new franchisee to execute any acknowledgements reasonably requested by Franchisor to signify its agreement to be bound by the provisions of this Agreement. Except as otherwise provided in this Section 4, a party shall have the right to terminate this Agreement if the other party materially breaches this Agreement and fails to remedy such breach within thirty (30) days after receipt of written notice thereof specifying the nature of such breach. The rights of termination under this Section 4 are in addition to whatever rights the non-defaulting party may have at law or in equity; provided that, in no event shall Franchisor be liable to Franchisee in an amount greater than the amounts previously paid by Franchisee for the Services giving rise to the liability.

5. **Fee.** Franchisor will charge Franchisee a fee for each month on the first day of the month for the Services as set forth in Schedule "B" to this Agreement, which shall be pro-rated for any partial month for which the Services are performed. In addition, if the Hotel did not participate in Franchisor's services during the previous calendar year, Franchisor will provide the set-up services described in Schedule C to this Agreement and charge Franchisee the one-time fee set forth in Schedule C. The fee shall be due in full 60 days after the Commencement Date. Franchisee agrees to pay such fees to Franchisor within fifteen (15) days of receipt of an invoice therefore. Any payments not actually received by Franchisor on or before the due date shall be deemed overdue. Franchisor may modify the fee effective as of the beginning of any renewal term, subject to Franchisee's right to terminate this Agreement discussed in Section 4, above.

6. **Indemnification.** Franchisee agrees to defend, indemnify and hold harmless Franchisor its affiliates, and each of their officers, directors, agents and employees, from and against any and all actions, costs, claims, losses, expenses and/or damages, including attorney's fees, arising out of or resulting from the performance of the Services. The obligations of Franchisee under this Section 6 shall survive the termination of this Agreement.

7. Reserved.

8. **Limited Delegation of Authority**. In order to efficiently and effectively manage operational tasks consistent with the interests of Franchisee, Franchisee appoints Franchisor as its limited agent with authority to take such actions as set forth in Schedule "A" ("Operational Actions') as Franchisor deems appropriate. Franchisee expressly reserves the right to override any Actions taken by Franchisor. In periodic meetings (each a "Consultation"), Franchisee shall communicate to Franchisor any concerns with respect to Operational Actions taken by Franchisor since the last Consultation, and shall provide to Franchisor specific guidance for taking future Actions. In the absence of explicit disapproval at a Consultation, Franchisee shall be deemed to have approved and authorized all Actions taken by Franchisor after the previous Consultation.

9. **Independent Contractor.** This Agreement does not create a fiduciary relationship between Franchisor and Franchisee. All persons employed to furnish the Services are employees of Franchisor and not of Franchisee. Franchisor shall perform the Services as an independent contractor, except that Franchisor will have the right to act on Franchisee's behalf when taking Operational Actions. When Franchisor acts for Franchisee as set forth in the preceding clause, Franchisee retains all risk of loss for unsold inventory.

10. **Assignment.** This agreement may not be assigned by Franchisee in whole or part without the prior written consent of Franchisor which will not be unreasonably withheld. Franchisor shall have the right to transfer this Agreement to any person or entity without prior notice to, or consent of, Franchisee, provided the transferee assumes Franchisor's obligations to Franchisee under this Agreement. Franchisee hereby acknowledges and agrees that any such transfer by Franchisor shall constitute a release and novation of Franchisor with respect to this Agreement.

11. **Notices.** Notices, requests, demands and other communication hereunder shall be in writing and shall be forwarded by registered or certified mail as follows:

12. **Entire Agreement.** This Agreement contains the entire agreement between the parties with respect to its subject matter, superseding any prior agreements and writings, and it may not be changed other than by an agreement in writing signed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement the day and year first above written.

I am authorized to make commitments on behalf of the property owner or franchisee noted in Hotel Agreement. By electronically signing TRADITIONAL HOTEL OPERATIONS CONSULTING AGREEMENT, I acknowledge the enrollment in the APRC services selected; the terms contained, including the autorenewal terms; and the payment terms. The contents of this document are confidential and proprietary to Marriott International, Inc. and may not be reproduced, disclosed, distributed or used without the express permission of an authorized representative of Marriott. Any other use is expressly prohibited.

FRANCHISEE:

_____

By: _____

Title: _____

Signature: _____

Date: _____

FRANCHISOR:

Marriott International Administrative Services, Inc.

By: Burke Giblin

Title: Vice President

Signature: _____

Date: _____

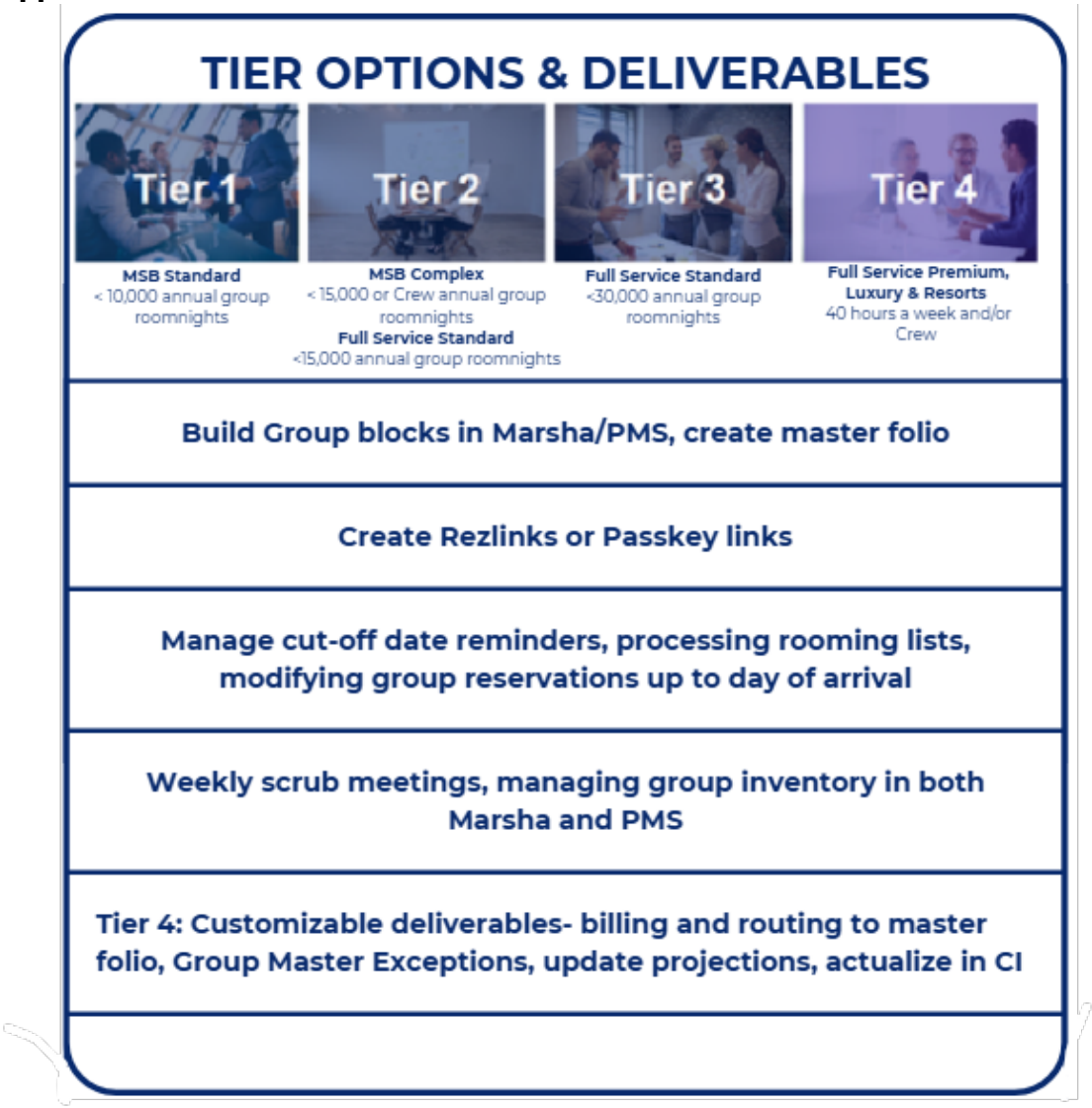
Marriott

CONFIDENTIAL & PROPRIETARY INFORMATION

Schedule A
APRC Operational Actions

Tier of Support:

Standard Support Actions/Deliverables (unless directed otherwise by Hotel), as applicable:



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CONFIDENTIAL & PROPRIETARY INFORMATION

Schedule B
APRC Cost Matrix

2026 Cost for Tier XX

Annual Fee for 2026: for Tier XX Services

The fee is billed in equal payments of $ per month.

**Annual Above Property Rooms Control by RMAS costs may be allocated equally to all participating properties and trued up, annually. True up not to exceed 10% of annual cost.

Concessions (if applicable):

Marriott

CONFIDENTIAL & PROPRIETARY INFORMATION

Schedule C
APRC One-Time Set-Up Fee

If the Hotel did not participate in Franchisor's services during the previous calendar year, Franchisor will provide the set-up services described in this Schedule C and charge Franchisee the one-time fee described below.

A new-build hotel will not be assessed this fee if the Franchisee signed a letter prior to opening. The fee shall be due in full 60 days after the Commencement Date.

Set-Up Services & Fees

Fee:

The audit will include:

- Audit report with findings and recommendations.
- 30-minute meeting to review findings & recommendations.
- Execution of all agreed upon changes to hotel systems within deliverables.

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CONFIDENTIAL & PROPRIETARY INFORMATION

Greetings!

We look forward to our partnership with you and your hotel.

With this letter you will find the Above Property Rooms Control (APRC) operational consulting agreement, the cost for annual support, and our service specifications for review. At your earliest convenience, please electronically sign this document.

If you have any questions or concerns, please do not hesitate to contact us at APRC2@marriott.com.

Again, we look forward to partnering with you!

Sincerely,

Burke Giblin
Vice President, Partnership Services | Revenue Management Advisory Services

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TRADITIONAL HOTEL OPERATIONS CONSULTING AGREEMENT

THIS TRADITIONAL HOTEL OPERATIONS CONSULTING AGREEMENT ("Agreement") is made and entered into on _____day of _____, _____ ("Commencement Date") By and between _____ ("Franchisee"), and Marriott International Administrative Services, Inc. ("Franchisor").

RECITALS:

WHEREAS, Franchisor and Franchisee are parties to a Franchise Agreement (as it may be amended, modified, supplemented or restated from time to time, the "Franchise Agreement"), which granted Franchisee the non-exclusive right and franchise to operate the _____ hotel, located at _____ (the "Hotel");

WHEREAS, Franchisor provides certain operational services to certain franchisees of its hotels for a fee;

WHEREAS, Franchisee desires that Franchisor provide certain operational services to Franchisee with respect to the Hotel; and

WHEREAS, Franchisor desires to provide certain support services to Franchisee with respect to the Hotel, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby specifically acknowledged, the parties agree as follows:

1. **Scope of Services.** Franchisor shall provide the operational services set forth on Schedule "A" attached hereto and made a part hereof (the "Services") to Franchisee with respect to the Hotel. If the hotel did not participate in Franchisor's services in the previous calendar year, Franchisor shall provide the set-up services described in Schedule C, for the fee set forth in Schedule C. The set-up services shall otherwise be deemed part of the "Services" for purposes of this Agreement. Franchisor's personnel who assist in providing the Services shall be qualified in and dedicated to hotel operations. Both parties acknowledge and agree that Franchisee is under no obligation to comply with any recommendations made by Franchisor in connection with this Agreement, including but not limited to, recommendations regarding inventory, group blocks, group allocation, or room allocation. Franchisee expressly reserves the right to make, and is ultimately responsible for, any and all decisions relating to inventory and all other APRC tasks. Nothing contained herein should be considered a representation or warranty by Franchisor that compliance with any recommendations made by Franchisor in connection with this Agreement, including but not limited to recommendations regarding inventory, room allocation or rate allocation will produce, increase or optimize profits of Franchisee.

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CONFIDENTIAL & PROPRIETARY INFORMATION

2. **Confidentiality.** Franchisee shall not, during the term of this Agreement or thereafter, without Franchisor's prior written consent, which consent may be granted or withheld in Franchisee's sole discretion, communicate, transmit, divulge, copy, duplicate, record, or otherwise reproduce, or use for the benefit of any third party or business other than the Hotel, in whole or in part, any documentation, software or other confidential information, knowledge, or know-how associated with the Services provided under this Agreement which may be communicated or provided to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's operation under this Agreement, or otherwise make the same available to any unauthorized person. Franchisee shall divulge such information only to such of Franchisee's employees or agents as must have access to it in order to operate the Hotel; all other persons shall be deemed "unauthorized" for purposes of this Agreement. All such information, including without limitation, aggregated, anonymized market data and recommendations by Franchisor regarding inventory and room allocations, is confidential and provided by Franchisor to Franchisee solely for the purposes of operating the Hotel, and Franchisee expressly acknowledges that such information shall not be used or considered in any respect by the Franchisee in reaching decisions for any other hotels owned, operated or franchised by the Franchisee. Franchisee further acknowledges that it will not divulge to Franchisor any confidential information, including business strategies, about non-Marriott properties that Franchisee owns, operates, or franchises. The information that is the subject of this Section 2 shall be deemed "Confidential Information" for purposes of the Franchise Agreement. The obligations of Franchisee under this Section 2 shall survive the termination of this Agreement.

3. **Extra Services.** Any services not included in the Services shall be performed by Franchisor only when requested by Franchisee in writing and specifically agreed to by Franchisor. Any additional cost or fees to be paid for such extra services shall be agreed to in writing by both parties.

4. **Term and Termination.** The initial term of this Agreement shall begin on the Commencement Date and shall expire either (1) December 31 of that same year, if the Commencement Date is between January 1st and June 30, or (2) December 31 of the next year, if the Commencement Date is between July 1 and December 31. For purposes of clarity, if the Commencement Date is November 5, 2025, the initial term will expire on December 31, 2026. This Agreement shall automatically renew for successive terms of one calendar year each unless either party provides written notice of non-renewal at least ninety (90) days in advance of the expiration of the then-current term. In addition, Franchisee shall have right to terminate this Agreement by providing written notice of such termination to Franchisor within thirty (30) days after receipt of notice of an increase in the fee Franchisor charges for the Services, if such fee increases by more than ten percent (10%) from the prior calendar year, such termination to be effective as of the later of (i) the effective date of the fee increase or (ii) thirty (30) days after such notice of termination is delivered to Franchisor. In the event that Franchisee fails to make any payments required to be made to Franchisor hereunder, which is not cured within ten (10) business days after receipt of notice of non-payment, Franchisor shall have the right to terminate this Agreement upon notice to Franchisee. In addition, if the Franchise Agreement is terminated for any reason during the term of this Agreement, this Agreement shall terminate

at the same time as the Franchise Agreement is terminated; provided that if the Franchise Agreement is terminated and a new franchise agreement is entered (with Franchisee or another person or entity) with respect to the Hotel, this agreement shall be assigned to and assumed by the new franchisee and Franchisee will cause the new franchisee to execute any acknowledgements reasonably requested by Franchisor to signify its agreement to be bound by the provisions of this Agreement. Except as otherwise provided in this Section 4, a party shall have the right to terminate this Agreement if the other party materially breaches this Agreement and fails to remedy such breach within thirty (30) days after receipt of written notice thereof specifying the nature of such breach. The rights of termination under this Section 4 are in addition to whatever rights the non-defaulting party may have at law or in equity; provided that, in no event shall Franchisor be liable to Franchisee in an amount greater than the amounts previously paid by Franchisee for the Services giving rise to the liability.

5. **Fee.** Franchisor will charge Franchisee a fee for each month on the first day of the month for the Services as set forth in Schedule "B" to this Agreement, which shall be pro-rated for any partial month for which the Services are performed. In addition, if the Hotel did not participate in Franchisor's services during the previous calendar year, Franchisor will provide the set-up services described in Schedule C to this Agreement and charge Franchisee the one-time fee set forth in Schedule C. The fee shall be due in full 60 days after the Commencement Date. Franchisee agrees to pay such fees to Franchisor within fifteen (15) days of receipt of an invoice therefore. Any payments not actually received by Franchisor on or before the due date shall be deemed overdue. Franchisor may modify the fee effective as of the beginning of any renewal term, subject to Franchisee's right to terminate this Agreement discussed in Section 4, above.

6. **Indemnification.** Franchisee agrees to defend, indemnify and hold harmless Franchisor its affiliates, and each of their officers, directors, agents and employees, from and against any and all actions, costs, claims, losses, expenses and/or damages, including attorney's fees, arising out of or resulting from the performance of the Services. The obligations of Franchisee under this Section 6 shall survive the termination of this Agreement.

7. Reserved.

8. **Limited Delegation of Authority**. In order to efficiently and effectively manage operational tasks consistent with the interests of Franchisee, Franchisee appoints Franchisor as its limited agent with authority to take such actions as set forth in Schedule "A" ("Operational Actions') as Franchisor deems appropriate. Franchisee expressly reserves the right to override any Actions taken by Franchisor. In periodic meetings (each a "Consultation"), Franchisee shall communicate to Franchisor any concerns with respect to Operational Actions taken by Franchisor since the last Consultation, and shall provide to Franchisor specific guidance for taking future Actions. In the absence of explicit disapproval at a Consultation, Franchisee shall be deemed to have approved and authorized all Actions taken by Franchisor after the previous Consultation.

9. **Independent Contractor.** This Agreement does not create a fiduciary relationship between Franchisor and Franchisee. All persons employed to furnish the Services are employees of Franchisor and not of Franchisee. Franchisor shall perform the Services as an independent contractor, except that Franchisor will have the right to act on Franchisee's behalf when taking Operational Actions. When Franchisor acts for Franchisee as set forth in the preceding clause, Franchisee retains all risk of loss for unsold inventory.

10. **Assignment.** This agreement may not be assigned by Franchisee in whole or part without the prior written consent of Franchisor which will not be unreasonably withheld. Franchisor shall have the right to transfer this Agreement to any person or entity without prior notice to, or consent of, Franchisee, provided the transferee assumes Franchisor's obligations to Franchisee under this Agreement. Franchisee hereby acknowledges and agrees that any such transfer by Franchisor shall constitute a release and novation of Franchisor with respect to this Agreement.

11. **Notices.** Notices, requests, demands and other communication hereunder shall be in writing and shall be forwarded by registered or certified mail as follows:

12. **Entire Agreement.** This Agreement contains the entire agreement between the parties with respect to its subject matter, superseding any prior agreements and writings, and it may not be changed other than by an agreement in writing signed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement the day and year first above written.

I am authorized to make commitments on behalf of the property owner or franchisee noted in Hotel Agreement. By electronically signing the TRADITIONAL HOTEL OPERATIONS CONSULTING AGREEMENT, I acknowledge the enrollment in the APRC services selected; the terms contained, including the autorenewal terms; and the payment terms. The contents of this document are confidential and proprietary to Marriott International, Inc. and may not be reproduced, disclosed, distributed or used without the express permission of an authorized representative of Marriott. Any other use is expressly prohibited.

FRANCHISEE:

_____

By: _____

Title: _____

Signature: _____

Date: _____

FRANCHISOR:

Marriott International Administrative Services, Inc.

By: Burke Giblin

Title: Vice President

Signature: _____

Date: _____

Marriott

CONFIDENTIAL & PROPRIETARY INFORMATION

Schedule A
APRC Operational Actions

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CONFIDENTIAL & PROPRIETARY INFORMATION

Schedule B
APRC Cost Matrix

2026 Cost for Tier XX

Annual Fee for 2026: for Tier XX Services

The fee is billed in equal payments of $ per month.

**Annual Above Property Rooms Control by RMAS costs may be allocated equally to all participating properties and trued up, annually. True up not to exceed 10% of annual cost.

Concessions (if applicable):

Marriott

CONFIDENTIAL & PROPRIETARY INFORMATION

Schedule C
APRC One-Time Set-Up Fee

If the Hotel did not participate in Franchisor's services during the previous calendar year, Franchisor will provide the set-up services described in this Schedule C and charge Franchisee the one-time fee described below.

A new-build hotel will not be assessed this fee if the Franchisee signed a letter prior to opening. The fee shall be due in full 60 days after the Commencement Date.

Set-Up Services & Fees

Fee:

The audit will include:

- Audit report with findings and recommendations.
- 30-minute meeting to review findings & recommendations.
- Execution of all agreed upon changes to hotel systems within deliverables.

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CONFIDENTIAL & PROPRIETARY INFORMATION

Greetings!

We look forward to our partnership with you and your hotel.

With this letter you will find the Above Property Rooms Control (APRC) operational consulting agreement, the cost for annual support, and our service specifications for review. At your earliest convenience, please electronically sign this document.

If you have any questions or concerns, please do not hesitate to contact us at APRC2@marriott.com.

Again, we look forward to partnering with you!

Sincerely,

Burke Giblin
Vice President, Partnership Services | Revenue Management Advisory Services

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TRADITIONAL HOTEL OPERATIONS CONSULTING AGREEMENT

THIS TRADITIONAL HOTEL OPERATIONS CONSULTING AGREEMENT ("Agreement") is made and entered into on _____day of _____, _____ ("Commencement Date") By and between _____ ("Franchisee"), and Marriott International Administrative Services, Inc. ("Franchisor").

RECITALS:

WHEREAS, Franchisor and Franchisee are parties to a Franchise Agreement (as it may be amended, modified, supplemented or restated from time to time, the "Franchise Agreement"), which granted Franchisee the non-exclusive right and franchise to operate the _____ hotel, located at _____ (the "Hotel");

WHEREAS, Franchisor provides certain operational services to certain franchisees of its hotels for a fee;

WHEREAS, Franchisee desires that Franchisor provide certain operational services to Franchisee with respect to the Hotel; and

WHEREAS, Franchisor desires to provide certain support services to Franchisee with respect to the Hotel, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby specifically acknowledged, the parties agree as follows:

1. **Scope of Services.** Franchisor shall provide the operational services set forth on Schedule "A" attached hereto and made a part hereof (the "Services") to Franchisee with respect to the Hotel. If the hotel did not participate in Franchisor's services in the previous calendar year, Franchisor shall provide the set-up services described in Schedule C, for the fee set forth in Schedule C. The set-up services shall otherwise be deemed part of the "Services" for purposes of this Agreement. Franchisor's personnel who assist in providing the Services shall be qualified in and dedicated to hotel operations. Both parties acknowledge and agree that Franchisee is under no obligation to comply with any recommendations made by Franchisor in connection with this Agreement, including but not limited to, recommendations regarding inventory, group blocks, group allocation, or room allocation. Franchisee expressly reserves the right to make, and is ultimately responsible for, any and all decisions relating to inventory and all other APRC tasks. Nothing contained herein should be considered a representation or warranty by Franchisor that compliance with any recommendations made by Franchisor in connection with this Agreement, including but not limited to recommendations regarding inventory, room allocation or rate allocation will produce, increase or optimize profits of Franchisee.

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CONFIDENTIAL & PROPRIETARY INFORMATION

2. **Confidentiality.** Franchisee shall not, during the term of this Agreement or thereafter, without Franchisor's prior written consent, which consent may be granted or withheld in Franchisee's sole discretion, communicate, transmit, divulge, copy, duplicate, record, or otherwise reproduce, or use for the benefit of any third party or business other than the Hotel, in whole or in part, any documentation, software or other confidential information, knowledge, or know-how associated with the Services provided under this Agreement which may be communicated or provided to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's operation under this Agreement, or otherwise make the same available to any unauthorized person. Franchisee shall divulge such information only to such of Franchisee's employees or agents as must have access to it in order to operate the Hotel; all other persons shall be deemed "unauthorized" for purposes of this Agreement. All such information, including without limitation, aggregated, anonymized market data and recommendations by Franchisor regarding inventory and room allocations, is confidential and provided by Franchisor to Franchisee solely for the purposes of operating the Hotel, and Franchisee expressly acknowledges that such information shall not be used or considered in any respect by the Franchisee in reaching decisions for any other hotels owned, operated or franchised by the Franchisee. Franchisee further acknowledges that it will not divulge to Franchisor any confidential information, including business strategies, about non-Marriott properties that Franchisee owns, operates, or franchises. The information that is the subject of this Section 2 shall be deemed "Confidential Information" for purposes of the Franchise Agreement. The obligations of Franchisee under this Section 2 shall survive the termination of this Agreement.

3. **Extra Services.** Any services not included in the Services shall be performed by Franchisor only when requested by Franchisee in writing and specifically agreed to by Franchisor. Any additional cost or fees to be paid for such extra services shall be agreed to in writing by both parties.

4. **Term and Termination.** The initial term of this Agreement shall begin on the Commencement Date and shall expire either (1) December 31 of that same year, if the Commencement Date is between January 1st and June 30, or (2) December 31 of the next year, if the Commencement Date is between July 1 and December 31. For purposes of clarity, if the Commencement Date is November 5, 2025, the initial term will expire on December 31, 2026. This Agreement shall automatically renew for successive terms of one calendar year each unless either party provides written notice of non-renewal at least ninety (90) days in advance of the expiration of the then-current term. In addition, Franchisee shall have right to terminate this Agreement by providing written notice of such termination to Franchisor within thirty (30) days after receipt of notice of an increase in the fee Franchisor charges for the Services, if such fee increases by more than ten percent (10%) from the prior calendar year, such termination to be effective as of the later of (i) the effective date of the fee increase or (ii) thirty (30) days after such notice of termination is delivered to Franchisor. In the event that Franchisee fails to make any payments required to be made to Franchisor hereunder, which is not cured within ten (10) business days after receipt of notice of non-payment, Franchisor shall have the right to terminate this Agreement upon notice to Franchisee. In addition, if the Franchise Agreement is terminated for any reason during the term of this Agreement, this Agreement shall terminate

at the same time as the Franchise Agreement is terminated; provided that if the Franchise Agreement is terminated and a new franchise agreement is entered (with Franchisee or another person or entity) with respect to the Hotel, this agreement shall be assigned to and assumed by the new franchisee and Franchisee will cause the new franchisee to execute any acknowledgements reasonably requested by Franchisor to signify its agreement to be bound by the provisions of this Agreement. Except as otherwise provided in this Section 4, a party shall have the right to terminate this Agreement if the other party materially breaches this Agreement and fails to remedy such breach within thirty (30) days after receipt of written notice thereof specifying the nature of such breach. The rights of termination under this Section 4 are in addition to whatever rights the non-defaulting party may have at law or in equity; provided that, in no event shall Franchisor be liable to Franchisee in an amount greater than the amounts previously paid by Franchisee for the Services giving rise to the liability.

5. **Fee.** Franchisor will charge Franchisee a fee for each month on the first day of the month for the Services as set forth in Schedule "B" to this Agreement, which shall be pro-rated for any partial month for which the Services are performed. In addition, if the Hotel did not participate in Franchisor's services during the previous calendar year, Franchisor will provide the set-up services described in Schedule C to this Agreement and charge Franchisee the one-time fee set forth in Schedule C. The fee shall be due in full 60 days after the Commencement Date. Franchisee agrees to pay such fees to Franchisor within fifteen (15) days of receipt of an invoice therefore. Any payments not actually received by Franchisor on or before the due date shall be deemed overdue. Franchisor may modify the fee effective as of the beginning of any renewal term, subject to Franchisee's right to terminate this Agreement discussed in Section 4, above.

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FRANCHISEE:

_____

By: _____

Title: _____

Signature: _____

Date: _____

FRANCHISOR:

Marriott International Administrative Services, Inc.

By: Burke Giblin

Title: Vice President

Signature: _____

Date: _____

Marriott

CONFIDENTIAL & PROPRIETARY INFORMATION

Schedule A
APRC Operational Actions

Tier of Support:

Standard Support Actions/Deliverables (unless otherwise directed by hotel), as applicable:

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CONFIDENTIAL & PROPRIETARY INFORMATION

Schedule B
APRC Cost Matrix

2026 Cost for Tier XX

Annual Fee for 2026: for Tier XX Services

The fee is billed in equal payments of $ per month.

**Annual Above Property Rooms Control by RMAS costs may be allocated equally to all participating properties and trued up, annually. True up not to exceed 10% of annual cost.

Concessions (if applicable):

Marriott

CONFIDENTIAL & PROPRIETARY INFORMATION

Schedule C
APRC One-Time Set-Up Fee

If the Hotel did not participate in Franchisor's services during the previous calendar year, Franchisor will provide the set-up services described in this Schedule C and charge Franchisee the one-time fee described below.

A new-build hotel will not be assessed this fee if the Franchisee signed a letter prior to opening. The fee shall be due in full 60 days after the Commencement Date.

Set-Up Services & Fees

Fee:

The audit will include:

- Audit report with findings and recommendations.
- 30-minute meeting to review findings & recommendations.
- Execution of all agreed upon changes to hotel systems within deliverables.

Marriott

CONFIDENTIAL & PROPRIETARY INFORMATION

Greetings!

We look forward to our partnership with you and your hotel.

With this letter you will find the Above Property Rooms Control (APRC) consulting agreement, the cost for monthly support, and our service specifications for review. At your earliest convenience, please electronically sign this document.

If you have any questions or concerns, please do not hesitate to contact us at APRC2@marriott.com.

Again, we look forward to partnering with you!

Sincerely,

Burke Giblin
Vice President, Partnership Services | Revenue Management Advisory Services

©2022 Marriott International, Inc. Confidential and Proprietary.

LIMITED ABOVE PROPERTY ROOMS CONTROL CONSULTING AGREEMENT

THIS LIMITED ABOVE PROPERTY ROOMS CONTROL CONSULTING AGREEMENT ("Agreement") is made and entered into on _____day of _____, _____ ("Commencement Date") By and between _____ ("Franchisee"), and Marriott International Administrative Services, Inc. ("Franchisor").

RECITALS:

WHEREAS, Franchisor and Franchisee are parties to a Franchise Agreement (as it may be amended, modified, supplemented or restated from time to time, the "Franchise Agreement"), which granted Franchisee the non-exclusive right and franchise to operate the _____ hotel, located at _____ (the "Hotel");

WHEREAS, Franchisor provides certain operational services to certain franchisees of its hotels for a fee;

WHEREAS, Franchisee desires that Franchisor provide certain operational services to Franchisee with respect to the Hotel; and

WHEREAS, Franchisor desires to provide certain support services to Franchisee with respect to the Hotel, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby specifically acknowledged, the parties agree as follows:

1. **Scope of Services.** Franchisor shall provide the operational services set forth on Schedule "A" attached hereto and made a part hereof (the "Services") to Franchisee with respect to the Hotel. If the hotel did not participate in Franchisor's services in the previous month, Franchisor shall provide the set-up services described in Schedule C, for the fee set forth in Schedule C. The set-up services shall otherwise be deemed part of the "Services" for purposes of this Agreement. Franchisor's personnel who assist in providing the Services shall be qualified in and dedicated to hotel operations. Both parties acknowledge and agree that Franchisee is under no obligation to comply with any recommendations made by Franchisor in connection with this Agreement, including but not limited to, recommendations regarding inventory, group blocks, group allocation, or room allocation. Franchisee expressly reserves the right to make, and is ultimately responsible for, any and all decisions relating to inventory and all other APRC checklist tasks. Nothing contained herein should be considered a representation or warranty by Franchisor that compliance with any recommendations made by Franchisor in connection with this Agreement, including but not limited to recommendations regarding inventory, room allocation or rate allocation will produce, increase or optimize profits of Franchisee.

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CONFIDENTIAL & PROPRIETARY INFORMATION

2. **Confidentiality.** Franchisee shall not, during the term of this Agreement or thereafter, without Franchisor's prior written consent, which consent may be granted or withheld in Franchisee's sole discretion, communicate, transmit, divulge, copy, duplicate, record, or otherwise reproduce, or use for the benefit of any third party or business other than the Hotel, in whole or in part, any documentation, software or other confidential information, knowledge, or know-how associated with the Services provided under this Agreement which may be communicated or provided to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's operation under this Agreement, or otherwise make the same available to any unauthorized person. Franchisee shall divulge such information only to such of Franchisee's employees or agents as must have access to it in order to operate the Hotel; all other persons shall be deemed "unauthorized" for purposes of this Agreement. All such information, including without limitation, aggregated, anonymized market data and recommendations by Franchisor regarding inventory and room allocations, is confidential and provided by Franchisor to Franchisee solely for the purposes of operating the Hotel, and Franchisee expressly acknowledges that such information shall not be used or considered in any respect by the Franchisee in reaching decisions for any other hotels owned, operated or franchised by the Franchisee. Franchisee further acknowledges that it will not divulge to Franchisor any confidential information, including business strategies, about non-Marriott properties that Franchisee owns, operates, or franchises. The information that is the subject of this Section 2 shall be deemed "Confidential Information" for purposes of the Franchise Agreement. The obligations of Franchisee under this Section 2 shall survive the termination of this Agreement.

3. **Extra Services.** Any services not included in the Services shall be performed by Franchisor only when requested by Franchisee in writing and specifically agreed to by Franchisor. Any additional cost or fees to be paid for such extra services shall be agreed to in writing by both parties.

4. **Term and Termination.** The initial term of this Agreement shall begin on the Commencement Date and shall expire either on the end date listed in Schedule "B" or the start of the following month, thirty (30) days after APRC recieves written notice of termination, whichever is first. In the event that Franchisee fails to make any payments required to be made to Franchisor hereunder, which is not cured within ten (10) business days after receipt of notice of non-payment, Franchisor shall have the right to terminate this Agreement upon notice to Franchisee. In addition, if the Franchise Agreement is terminated for any reason during the term of this Agreement, this Agreement shall terminate at the same time as the Franchise Agreement is terminated.

5. **Fee.** Franchisor will charge Franchisee a fee for each month on the first day of the month for the Services as set forth in Schedule "B" to this Agreement. In addition, if the Hotel did not participate in Franchisor's services during the previous month, Franchisor will provide the set-up services described in Schedule C to this Agreement and charge Franchisee the one-time fee set forth in Schedule C. The fee shall be due in full 60 days after the Commencement Date. Franchisee agrees to pay such fees to Franchisor within fifteen (15) days of receipt of an invoice therefore. Any payments not actually received by Franchisor on or

before the due date shall be deemed overdue. Franchisor may modify the fee effective as of the beginning of any renewal term, subject to Franchisee's right to terminate this Agreement discussed in Section 4, above.

6. **Indemnification.** Franchisee agrees to defend, indemnify and hold harmless Franchisor its affiliates, and each of their officers, directors, agents and employees, from and against any and all actions, costs, claims, losses, expenses and/or damages, including attorney's fees, arising out of or resulting from the performance of the Services. The obligations of Franchisee under this Section 6 shall survive the termination of this Agreement.

7. Reserved.

8. **Limited Delegation of Authority**. In order to efficiently and effectively manage operational tasks consistent with the interests of Franchisee, Franchisee appoints Franchisor as its limited agent with authority to take such actions as set forth in Schedule "A" ("Operational Actions') as Franchisor deems appropriate. Franchisee expressly reserves the right to override any Actions taken by Franchisor. In periodic meetings (each a "Consultation"), Franchisee shall communicate to Franchisor any concerns with respect to Operational Actions taken by Franchisor since the last Consultation, and shall provide to Franchisor specific guidance for taking future Actions. In the absence of explicit disapproval at a Consultation, Franchisee shall be deemed to have approved and authorized all Actions taken by Franchisor after the previous Consultation.

9. **Independent Contractor.** This Agreement does not create a fiduciary relationship between Franchisor and Franchisee. All persons employed to furnish the Services are employees of Franchisor and not of Franchisee. Franchisor shall perform the Services as an independent contractor, except that Franchisor will have the right to act on Franchisee's behalf when taking Operational Actions. When Franchisor acts for Franchisee as set forth in the preceding clause, Franchisee retains all risk of loss for unsold inventory.

10. **Assignment.** This agreement may not be assigned by Franchisee in whole or part without the prior written consent of Franchisor which will not be unreasonably withheld. Franchisor shall have the right to transfer this Agreement to any person or entity without prior notice to, or consent of, Franchisee, provided the transferee assumes Franchisor's obligations to Franchisee under this Agreement. Franchisee hereby acknowledges and agrees that any such transfer by Franchisor shall constitute a release and novation of Franchisor with respect to this Agreement.

11. **Notices.** Notices, requests, demands and other communication hereunder shall be in writing and shall be forwarded by registered or certified mail as follows:

12. **Entire Agreement.** This Agreement contains the entire agreement between the parties with respect to its subject matter, superseding any prior agreements and writings, and it may not be changed other than by an agreement in writing signed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement the day and year first above written.

I am authorized to make commitments on behalf of the property owner or franchisee noted in Hotel Agreement. By electronically signing the LIMITED ABOVE PROPERTY ROOMS CONTROL CONSULTING AGREEMENT, I acknowledge the enrollment in the APRC services selected; the terms contained, including the autorenewal terms; and the payment terms. The contents of this document are confidential and proprietary to Marriott International, Inc. and may not be reproduced, disclosed, distributed or used without the express permission of an authorized representative of Marriott. Any other use is expressly prohibited.

FRANCHISEE:

_____

By: _____

Title: _____

Signature: _____

Date: _____

FRANCHISOR:

Marriott International Administrative Services, Inc.

By: Burke Giblin

Title: Vice President

Signature: _____

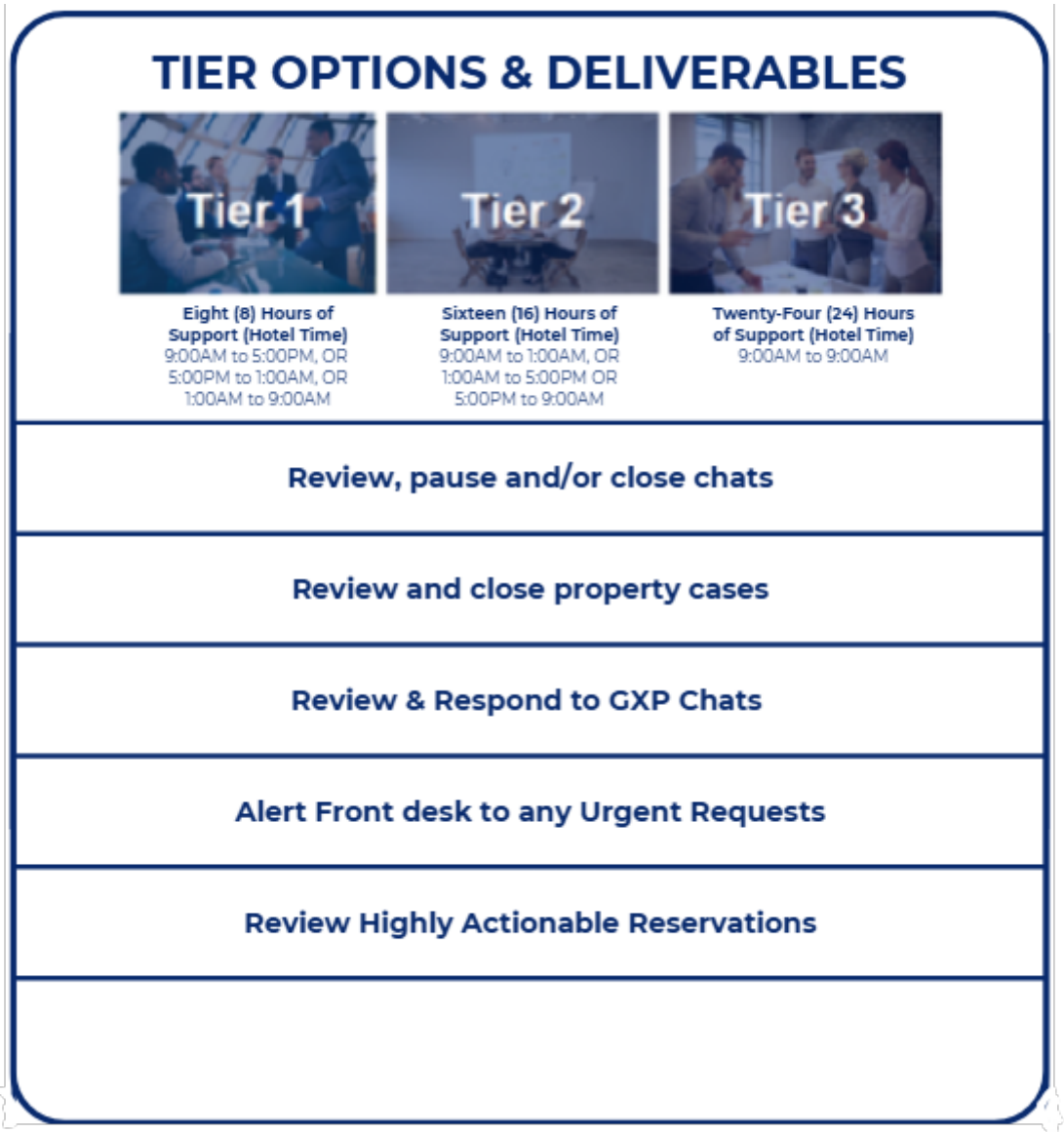
Date: _____

Marriott

CONFIDENTIAL & PROPRIETARY INFORMATION

Schedule A
APRC Operational Actions

Standard Support Actions/Deliverables (unless otherwise directed by hotel), as applicable:



Marriott
CONFIDENTIAL & PROPRIETARY INFORMATION

Schedule B
APRC Cost Matrix

Start Date:		**End Date:**	
Monthly Fee:			
Support Schedule:			
Concessions (if applicable):			

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CONFIDENTIAL & PROPRIETARY INFORMATION

Schedule C
APRC One-Time Set-Up Fee

If the Hotel did not participate in Franchisor's services during the previous calendar year, Franchisor will provide the set-up services described in this Schedule C and charge Franchisee the one-time fee described below.

A new-build hotel will not be assessed this fee if the Franchisee signed a letter prior to opening. The fee shall be due in full 60 days after the Commencement Date.

Set-Up Services & Fees

Fee:

The audit will include:

- Audit report with findings and recommendations.
- 30-minute meeting to review findings & recommendations.
- Execution of all agreed upon changes to hotel systems within deliverables.

Marriott

CONFIDENTIAL & PROPRIETARY INFORMATION

Greetings!

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With this letter you will find the Above Property Rooms Control (APRC) consulting agreement, the cost for monthly support, and our service specifications for review. At your earliest convenience, please electronically sign this document.

If you have any questions or concerns, please do not hesitate to contact us at APRC2@marriott.com.

Again, we look forward to partnering with you!

Sincerely,

Burke Giblin
Vice President, Partnership Services | Revenue Management Advisory Services

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WHEREAS, Franchisor and Franchisee are parties to a Franchise Agreement (as it may be amended, modified, supplemented or restated from time to time, the "Franchise Agreement"), which granted Franchisee the non-exclusive right and franchise to operate the _____ hotel, located at _____ (the "Hotel");

WHEREAS, Franchisor provides certain operational services to certain franchisees of its hotels for a fee;

WHEREAS, Franchisee desires that Franchisor provide certain operational services to Franchisee with respect to the Hotel; and

WHEREAS, Franchisor desires to provide certain support services to Franchisee with respect to the Hotel, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby specifically acknowledged, the parties agree as follows:

1. **Scope of Services.** Franchisor shall provide the operational services set forth on Schedule "A" attached hereto and made a part hereof (the "Services") to Franchisee with respect to the Hotel. If the hotel did not participate in Franchisor's services in the previous month, Franchisor shall provide the set-up services described in Schedule C, for the fee set forth in Schedule C. The set-up services shall otherwise be deemed part of the "Services" for purposes of this Agreement. Franchisor's personnel who assist in providing the Services shall be qualified in and dedicated to hotel operations. Both parties acknowledge and agree that Franchisee is under no obligation to comply with any recommendations made by Franchisor in connection with this Agreement, including but not limited to, recommendations regarding inventory, group blocks, group allocation, or room allocation. Franchisee expressly reserves the right to make, and is ultimately responsible for, any and all decisions relating to inventory and all other APRC checklist tasks. Nothing contained herein should be considered a representation or warranty by Franchisor that compliance with any recommendations made by Franchisor in connection with this Agreement, including but not limited to recommendations regarding inventory, room allocation or rate allocation will produce, increase or optimize profits of Franchisee.

Marriott

CONFIDENTIAL & PROPRIETARY INFORMATION

2. **Confidentiality.** Franchisee shall not, during the term of this Agreement or thereafter, without Franchisor's prior written consent, which consent may be granted or withheld in Franchisee's sole discretion, communicate, transmit, divulge, copy, duplicate, record, or otherwise reproduce, or use for the benefit of any third party or business other than the Hotel, in whole or in part, any documentation, software or other confidential information, knowledge, or know-how associated with the Services provided under this Agreement which may be communicated or provided to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's operation under this Agreement, or otherwise make the same available to any unauthorized person. Franchisee shall divulge such information only to such of Franchisee's employees or agents as must have access to it in order to operate the Hotel; all other persons shall be deemed "unauthorized" for purposes of this Agreement. All such information, including without limitation, aggregated, anonymized market data and recommendations by Franchisor regarding inventory and room allocations, is confidential and provided by Franchisor to Franchisee solely for the purposes of operating the Hotel, and Franchisee expressly acknowledges that such information shall not be used or considered in any respect by the Franchisee in reaching decisions for any other hotels owned, operated or franchised by the Franchisee. Franchisee further acknowledges that it will not divulge to Franchisor any confidential information, including business strategies, about non-Marriott properties that Franchisee owns, operates, or franchises. The information that is the subject of this Section 2 shall be deemed "Confidential Information" for purposes of the Franchise Agreement. The obligations of Franchisee under this Section 2 shall survive the termination of this Agreement.

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4. **Term and Termination.** The initial term of this Agreement shall begin on the Commencement Date and shall expire either on the end date listed in Schedule "B" or the start of the following month, thirty (30) days after APRC recieves written notice of termination, whichever is first. In the event that Franchisee fails to make any payments required to be made to Franchisor hereunder, which is not cured within ten (10) business days after receipt of notice of non-payment, Franchisor shall have the right to terminate this Agreement upon notice to Franchisee. In addition, if the Franchise Agreement is terminated for any reason during the term of this Agreement, this Agreement shall terminate at the same time as the Franchise Agreement is terminated.

5. **Fee.** Franchisor will charge Franchisee a fee for each month on the first day of the month for the Services as set forth in Schedule "B" to this Agreement. In addition, if the Hotel did not participate in Franchisor's services during the previous month, Franchisor will provide the set-up services described in Schedule C to this Agreement and charge Franchisee the one-time fee set forth in Schedule C. The fee shall be due in full 60 days after the Commencement Date. Franchisee agrees to pay such fees to Franchisor within fifteen (15) days of receipt of an invoice therefore. Any payments not actually received by Franchisor on or

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7. Reserved.

8. **Limited Delegation of Authority**. In order to efficiently and effectively manage operational tasks consistent with the interests of Franchisee, Franchisee appoints Franchisor as its limited agent with authority to take such actions as set forth in Schedule "A" ("Operational Actions') as Franchisor deems appropriate. Franchisee expressly reserves the right to override any Actions taken by Franchisor. In periodic meetings (each a "Consultation"), Franchisee shall communicate to Franchisor any concerns with respect to Operational Actions taken by Franchisor since the last Consultation, and shall provide to Franchisor specific guidance for taking future Actions. In the absence of explicit disapproval at a Consultation, Franchisee shall be deemed to have approved and authorized all Actions taken by Franchisor after the previous Consultation.

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10. **Assignment.** This agreement may not be assigned by Franchisee in whole or part without the prior written consent of Franchisor which will not be unreasonably withheld. Franchisor shall have the right to transfer this Agreement to any person or entity without prior notice to, or consent of, Franchisee, provided the transferee assumes Franchisor's obligations to Franchisee under this Agreement. Franchisee hereby acknowledges and agrees that any such transfer by Franchisor shall constitute a release and novation of Franchisor with respect to this Agreement.

11. **Notices.** Notices, requests, demands and other communication hereunder shall be in writing and shall be forwarded by registered or certified mail as follows:

12. **Entire Agreement.** This Agreement contains the entire agreement between the parties with respect to its subject matter, superseding any prior agreements and writings, and it may not be changed other than by an agreement in writing signed by the parties.

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I am authorized to make commitments on behalf of the property owner or franchisee noted in Hotel Agreement. By electronically signing the LIMITED ABOVE PROPERTY ROOMS CONTROL CONSULTING AGREEMENT, I acknowledge the enrollment in the APRC services selected; the terms contained, including the autorenewal terms; and the payment terms. The contents of this document are confidential and proprietary to Marriott International, Inc. and may not be reproduced, disclosed, distributed or used without the express permission of an authorized representative of Marriott. Any other use is expressly prohibited.

FRANCHISEE:

_____

By: _____

Title: _____

Signature: _____

Date: _____

FRANCHISOR:

Marriott International Administrative Services, Inc.

By: Burke Giblin

Title: Vice President

Signature: _____

Date: _____

Marriott

CONFIDENTIAL & PROPRIETARY INFORMATION

Schedule A
APRC Operational Actions

Tier of Support:

Standard Support Actions/Deliverables (unless otherwise directed by hotel), as applicable:

Marriott
CONFIDENTIAL & PROPRIETARY INFORMATION

Schedule B
APRC Cost Matrix

Start Date:		**End Date:**	
Monthly Fee:			
Type of Support:			
Support Schedule:			
Concessions (if applicable):			

Marriott

CONFIDENTIAL & PROPRIETARY INFORMATION

Schedule C
APRC One-Time Set-Up Fee

If the Hotel did not participate in Franchisor's services during the previous calendar year, Franchisor will provide the set-up services described in this Schedule C and charge Franchisee the one-time fee described below.

A new-build hotel will not be assessed this fee if the Franchisee signed a letter prior to opening. The fee shall be due in full 60 days after the Commencement Date.

Set-Up Services & Fees

Fee:

The audit will include:

- Audit report with findings and recommendations.
- 30-minute meeting to review findings & recommendations.
- Execution of all agreed upon changes to hotel systems within deliverables.

Marriott

CONFIDENTIAL & PROPRIETARY INFORMATION

EXHIBIT L

OPEN OUTLETS/UNOPENED OUTLETS

The Luxury Collection

List of Open Franchised Outlets
(United States)

As of December 31, 2025

Colorado

Hotel Clio, a Luxury Collection Hotel, Denver Cherry Creek
DiamondRock Cherry Creek Tenant, LLC
150 Clayton Lane
Denver, CO 80206
(303) 316-2700

The Hythe, a Luxury Collection Resort, Vail, CO
DiamondRock Vail Tenant, LLC
715 West Lionshead Circle
Vail, CO 81657
(970) 476-4444

Georgia

Perry Lane Hotel, a Luxury Collection Hotel, Savannah
WS PL Savannah Owner, LLC
256 East Perry Street
Savannah, GA 31401
(912) 415-9000

The Whitley, a Luxury Collection Hotel, Atlanta Buckhead
Hostess (LBUC) TRS LLC
3434 Peachtree Road, Northeast
Atlanta, GA 30326
(404) 237-2700

Illinois

The Gwen, a Luxury Collection Hotel, Michigan Avenue Chicago
DiamondRock Chicago Conrad Tenant, LLC
521 North Rush Street
Chicago, IL 60611
(312) 645-1500

Massachusetts

The Liberty, a Luxury Collection Hotel, Boston
Don't Look Back Lessee, LLC
215 Charles Street
Boston, MA 02114
(617) 224-4000

Minnesota

Hotel Ivy, a Luxury Collection Hotel, Minneapolis
Madison South 11th TRS LLC
201 South Eleventh Street
Minneapolis, MN 55403
(612) 746-4600

New York

The Luxury Collection Hotel Manhattan Midtown
Black Pumice E 2015 LLC
151 West 54th Street
Manhattan, NY 10019
(917) 590-5400

North Carolina

The Ballantyne, a Luxury Collection Hotel, Charlotte
NWBH 1 LP
10000 Ballantyne Commons Parkway
Charlotte, NC 28277
(704) 248-4000

Oregon

The Nines, a Luxury Collection Hotel, Portland
Beavers Lessee LLC
525 SW Morrison
Portland, OR 97204
(877) 229-9995

Tennessee

The Joseph, a Luxury Collection Hotel, Nashville
Pizzuti Nashville Hotel Owner LLC
401 Korean Veterans Boulevard
Nashville, TN 37203
(615) 248-1990

Texas

The St. Anthony, a Luxury Collection Hotel, San Antonio
BCL St. Anthony MT, L.P.
300 East Travis Street
San Antonio, TX 78205
(210) 227-4392

The Luxury Collection

List of Open Franchised Outlets
(Canada)

As of December 31, 2025

Nova Scotia

Muir, a Luxury Collection Hotel, Halifax
Queen's Marque South Limited
1709 Lower Water Street
Halifax, NS B3J 1S5
(902) 407-6847

Ontario

BISHA, a Luxury Collection Hotel, Toronto
Sunray Blue Jays Way Inc.
80 Blue Jays Way
Toronto, ON M5V 2G3
(416) 551-2800

The Luxury Collection

List of Franchised Outlets Not Yet Open
(United States)

As of December 31, 2025

New York
The Luxury Collection Hotel Lower Manhattan
New York, NY
2 West Street, LLC
(631) 742-0866

South Carolina
The Luxury Collection Hotel Charleston Downtown
Charleston, SC
CCC's Planters Inn, LLC
(307) 733-4733

Texas
Houston Grand Hotel - River Oaks
Houston, Texas
Saddlebrook Hospitality Property X, LP
(281) 249-4600

The Luxury Collection

List of Franchised Outlets Not Yet Open (Canada)

As of December 31, 2025

None

EXHIBIT M

FORMER FRANCHISEES

THE LUXURY COLLECTION

FORMER FRANCHISEES

The list below includes all franchisees in The Luxury Collection that had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who has not communicated with us within ten (10) weeks of the issuance date of this document. The list includes franchisees whose franchise agreement was terminated prior to the opening of the hotel.

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

New York

New York, NY
Urban Commons 2 West Operating Tenant LLC
Corona del mar, CA
(949) 400-8808

EXHIBIT N

COMFORT LETTER

7750 Wisconsin Avenue
Bethesda, MD 20814

[Date]

«Lender_Name»
«lender_street»
«lender_city», «lender_state» «lenderZipCode»

Attn: «LenderContact»

Re: «brand»
«address»
«city», «state» «zip» (the "Hotel")

Dear Lender:

«Franchisor_Licensor» ("Franchisor") has entered into a Franchise Agreement (as may be amended, the "Franchise Agreement") dated «exe_date» with «Franchise_Name» ("Franchisee"). **[NOTE: INCORPORATE OWNER IF AN OWNER AGREEMENT HAS BEEN ENTERED INTO IN CONNECTION WITH THE FRANCHISE AGREEMENT.]** As of this date and to the best of Franchisor's knowledge, the Franchise Agreement is in full force and effect and Franchisor has issued no notice of a default by Franchisee under the Franchise Agreement which default remains uncured as of the date hereof (the "No-Defaults Representation").

«Lender_Name» ("Lender") and Franchisee have informed Franchisor that Lender will loan or has loaned funds that will be used for the direct benefit of the Hotel and will be secured by the Hotel (the "Loan"). [**NOTE: CONFIRM DESCRIPTION OF LOAN IS CORRECT.]** Lender and Franchisee have requested that Franchisor enter into this comfort letter. Franchisee will pay the current lender comfort letter processing fee applicable to such request. The undersigned parties agree as follows:

[USE FOR REPLACEMENT C/Ls DRAFTED ON 2021 FORM OR LATER:

«Lender_Name» ("Lender") and Franchisee have informed Franchisor that Lender is the current holder of the loan that is being used for the direct benefit of the Hotel and is secured by the Hotel (the "Loan") and that, as of the date hereof, the Loan is not in default. [NOTE: CONFIRM DESCRIPTION OF LOAN IS CORRECT.] Lender and Franchisee have requested that Franchisor enter into this comfort letter. Franchisee will pay the current lender comfort letter processing fee applicable to such request. The undersigned parties agree as follows:**]**

[USE FOR REPLACEMENT C/Ls DRAFTED ON PRE-2021 FORM]:

«Lender_Name» ("Lender") and Franchisee have informed Franchisor that Lender is the current holder of the loan that is being used for the direct benefit of the Hotel and is secured by the Hotel (the "Loan"). [NOTE: CONFIRM DESCRIPTION OF LOAN IS CORRECT.] Lender and Franchisee have requested that Franchisor enter into this comfort letter. Franchisee will pay the current lender comfort letter processing fee applicable to such request. The undersigned parties agree as follows:**]**

1. Franchisee Defaults. Franchisor will copy Lender on any notice of default or termination issued to Franchisee under the Franchise Agreement. Lender may, on notice to Franchisor, cure such default on Franchisee's behalf during the cure period established in the default notice. Franchisor may extend Lender's right to cure for such reasonable period beyond the cure period established in the default notice if: (i) the default is not related to health or safety; (ii) the default is

susceptible to cure by Lender; (iii) Lender notifies Franchisor of Lender's agreement to cure the default as soon as reasonably possible, but by no later than two days before expiration of the cure period established in the default notice; (iv) all fees, charges, and other amounts due Franchisor or any of its Affiliates under the Franchise Agreement or in connection with the Hotel are kept current; (v) Lender diligently pursues cure of the default; and (vi) the Hotel is at all times operated in accordance with the Franchise Agreement, except for the specific default described in the default notice.

2. Lender Foreclosure.

A. If Lender acquires ownership, control or possession of the Hotel by foreclosure, a deed in lieu of foreclosure, or any other exercise of its rights as a secured lender, and Lender desires that the Hotel continue to be operated as part of the «brand» system of hotels, then: (i) Lender may, by notice and payment to Franchisor of a non-refundable $7,500 application fee within 10 days after Lender acquires ownership, control or possession of the Hotel, request Franchisor to enter into a new franchise agreement and consent to substitute management for the Hotel; and (ii) within 30 days after such request, Lender and Franchisor will execute a new franchise agreement on the then-current form for the «brand» system of hotels, subject to the satisfaction of the terms of Paragraph 2 and Paragraph 4. Such new franchise agreement will (a) be dated as of the date that Lender acquired ownership, control or possession of the Hotel; (b) have a term equal to the then-remaining term of the Franchise Agreement; and (c) otherwise be on the form of franchise agreement in Franchisor's then-current franchise disclosure document, with such changes as Franchisor may require to address the specific circumstances of the Hotel and any obligations under the Franchise Agreement, including, if applicable, assuming the obligation to repay any unamortized "key money," which (if applicable) will continue to amortize as set forth in the Franchise Agreement. Notwithstanding the foregoing, Lender will not be required to pay the stated application fee or implement a typical change of ownership property improvement plan. Instead, Lender will only be required to: (1) pay the $7,500 application fee set forth in the first sentence of this Paragraph 2.A.; (2) pay Franchisor's outside counsel costs in connection with the new franchise agreement and related agreements; (3) cure any quality, service, or other deficiency in Franchisee's prior performance of its obligations under the Franchise Agreement and under any other agreements with Franchisor and its Affiliates relating to the Hotel, but excluding any unpaid liquidated damages; and (4) comply with the renovation and upgrading requirements that are stated in the Franchise Agreement or that are otherwise required of other «brand» franchisees. If Lender fails to comply with any of the conditions (including the deadlines) set forth in this Paragraph 2, then Lender will be deemed to have waived its rights hereunder.

B. Franchisor's obligations under Paragraph 2.A. and 3 are subject to: (i) Franchisor's receipt of evidence satisfactory to Franchisor that any Person with whom Franchisor enters into a franchise agreement under Paragraph 2.A., any of such Person's directors, officers, and Affiliates, and any of their funding sources is not a Competitor, an Affiliate of a Competitor, or a Restricted Person; (ii) Lender or the receiver, as the case may be, and each of its Interestholders satisfying Franchisor's then-current owner qualifications; and (iii) Franchisor's receipt of a guaranty on terms acceptable to Franchisor, in its sole discretion.

C. If Lender acquires ownership, control or possession of the Hotel by foreclosure, a deed in lieu of foreclosure, or any other exercise of its rights as a secured lender, and Lender desires that the Hotel no longer be operated as part of the «brand» system of hotels, Lender will notify Franchisor of such desire within 10 days after Lender acquires ownership, control or possession of the Hotel, cooperate with Franchisor in the removal of the Hotel from the «brand» system of hotels, and promptly comply with Paragraph 12.

D. Lender may designate a wholly owned subsidiary of Lender (a "Lender Entity") to acquire the Hotel and enter into the franchise agreement referred to in Paragraph 2.A., in which case the requirements of this Paragraph 2 shall apply to such Lender Entity.

3. Receivership. If Lender has a receiver appointed for the Hotel during a foreclosure proceeding or through any exercise of its rights as a secured lender, Lender may, by notice and payment to Franchisor of a non-refundable $5,000 application fee, which is due by no later than the date on which a receiver has taken possession of the Hotel, have the Hotel operated by a management company under Paragraph 4 if: (i) subject to satisfaction of the requirements listed in clauses (2) through (4) of Paragraph 2.A. and the requirements in Paragraph 2.B. above, the receiver enters into a franchise agreement with Franchisor on terms acceptable to Franchisor within 30 days after a receiver has taken possession of the Hotel; (ii) the receiver is specifically authorized to enter into the franchise agreement by order of the court appointing such receiver; and (iii) such court issues an order that requires the Hotel to be operated in accordance with state, local, and federal laws and includes such other provisions about the franchise agreement and the operation of the Hotel as may be requested by Franchisor. If Lender fails to comply with any of the conditions (including the deadlines) set forth in this Paragraph 3, then Lender will be deemed to have waived its rights hereunder.

4. Substitute Manager. Lender's right to propose a substitute manager for the Hotel under this comfort letter is subject to the terms of this Paragraph 4. At Lender's request, Franchisor will provide Lender a list of management companies that would be consented to by Franchisor to operate the Hotel. If possible, such list will contain at least three management companies. Franchisor may withhold its consent to any proposed management company that Franchisor determines in its Reasonable Business Judgment: (i) is not financially capable; (ii) does not have the managerial skills or operational capacity required to operate «brand» hotels; or (iii) is not otherwise able to comply fully with the requirements of the franchise agreement. If at any time during Lender's ownership, control, or possession of the Hotel, the Hotel is operated by a management company not consented to by Franchisor, Franchisor may immediately terminate the Franchise Agreement, this comfort letter, and the Hotel's relationship with the «brand» system of hotels on notice to Lender.

5. Notification of Lender Enforcement Actions. Lender will notify Franchisor at least 10 days before Lender: (i) commences foreclosure proceedings on the Hotel; (ii) petitions for appointment of a receiver, obtains the entry of an order for relief, or takes any action under federal or state bankruptcy laws or similar laws with regard to the Hotel; (iii) accepts a deed for the Hotel in lieu of foreclosure; or (iv) takes ownership, possession, or control of the Hotel, directly or indirectly, in any manner. Such notice will identify the court in which any such action referred to in clause (i) or (ii) of this Paragraph 5 will be filed. Within 30 days after Lender receives notice of another Person's commencement of foreclosure proceedings, filing of an action for the appointment of a receiver, or filing of a petition for relief under state or federal bankruptcy laws with regard to the Hotel, Lender will notify Franchisor of such matters. After the initial timely notification of Franchisor required under clauses (i) through (iv) of this Paragraph 5, Lender will 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 ownership, control or possession of the Hotel.

6. No Consent to Assignment of Franchise Agreement. Any current and any future collateral assignment, pledge, grant of a security interest or other transfer to Lender or its Affiliates of any interest in the Franchise Agreement: (i) has not been and will not be consented to by Franchisor; (ii) does not and will not affect Franchisor's rights under the Franchise Agreement; (iii) does not and will not grant Lender or any other Person any rights under the Franchise Agreement or any rights relating to the license granted under the Franchise Agreement, including the right to operate the Hotel as part of the «brand» system of hotels; and (iv) is and will be limited by the terms of this comfort letter. Neither Lender nor Franchisee will assign or otherwise transfer any rights under this comfort letter (which is non-assignable) or under the Franchise Agreement without the prior written consent of Franchisor, and any purported assignment or transfer without Franchisor's prior written consent will be void and ineffective. Lender's only rights relating to the Franchise Agreement and the license granted under the Franchise Agreement,

including the right to operate the Hotel as part of the «brand» system of hotels, are stated in this comfort letter.

7. Transition of Control of the Hotel. Lender, Franchisor, and Franchisee will cooperate so that any change in ownership, possession or control of the Hotel under this comfort letter will be conducted: (i) efficiently; (ii) without inconvenience to the guests and employees of the Hotel; and (iii) in accordance with applicable law, including the WARN Act (29 U.S.C. §§ 2101et seq.).

8. No Claims. Franchisor may discuss with Lender, successor mortgagee, any receiver requested by Lender, or any of their respective designees the status of the Hotel, the Franchise Agreement, the terms of any agreement contemplated by this comfort letter, and any matters of which Lender is entitled to receive notice. Franchisor and its Affiliates, agents, employees, officers, directors, successors, assigns, and representatives ("Released Persons") will not be liable to any Person for taking any action or providing any information required or contemplated by this comfort letter ("Comfort Letter Acts"). On behalf of itself and its owners, Affiliates, agents, officers, directors, employees, representatives, successors, and assigns, Franchisee releases, discharges, and holds harmless the Released Persons from any and all actions, causes of action, suits, claims, demands, damages, debts, accounts, and judgments, at law or in equity, for any Comfort Letter Acts. Franchisee also represents as of this date and, to the best of its knowledge, that: (i) there is no existing default by either Franchisee or Franchisor under the Franchise Agreement; (ii) no event has occurred which, with the giving of notice or passage of time, or both, would constitute a default by either Franchisee or Franchisor under the Franchise Agreement; and (iii) Franchisee has no claims against Franchisor. Franchisor's rights under this Paragraph 8 will survive termination of this comfort letter.

9. Notices. All notices required under this comfort letter will be: (i) in writing; (ii) delivered by hand with receipt, or by courier service with tracking capability; and (iii) addressed as stated below or at any other address designated in writing by the party entitled to receive the notice:

If to Lender, to:

«Lender_Name»
«lender_street»
«lender_city», «lender_state» «lenderZipCode»
Attn: «LenderContact»

With a copy to:

If to Franchisor, to:

«Franchisor_Licensor»
7750 Wisconsin Avenue
Bethesda, MD 20814
Attn: Law Department 52/923.28

Any notice will be deemed received (i) when delivery is received or first refused, if delivered by hand or (ii) one day after posting of such notice, if sent via overnight courier.

10. No Representations or Warranties; No Third-Party Beneficiary. Franchisor has not provided and, by issuing this comfort letter, is not providing: (i) any representation that it endorses, approves, or recommends the Loan or any financial projections delivered to Lender in connection with the Loan; (ii) any guarantee or assurance that Franchisee, or any other Person will be able to repay the Loan; or (iii) any endorsement, approval, or recommendation of Franchisee or Franchisee's character or

reputation. Because the No-Defaults Representation only covers the status of the Franchise Agreement as of the date of this comfort letter, Lender will not rely on the No-Defaults Representation as to the status of the Franchise Agreement after the date of this comfort letter. On Lender's request, Franchisor will represent to Lender, to the best of Franchisor's knowledge, whether Franchisor has issued any notice of a default by Franchisee under the Franchise Agreement, which default remains uncured as of such date, or any notice of termination under the Franchise Agreement. If Lender makes a decision (for example, to exercise any of its enforcement rights under the Loan) or issues a representation or warranty to another Person (for example, in connection with a modification, securitization, or sale of the Loan) without requesting such a representation from Franchisor, then Lender will not: (i) rely on any past notice of default or termination under the Franchise Agreement; or (ii) rely on its own assumption as to the status of the Franchise Agreement (for example, on the assumption that no default exists because Lender did not receive a copy of a default notice). This comfort letter is solely for the benefit of the addressee named on the first page of this comfort letter and is not intended to create any third-party beneficiary.

11. Replacement Comfort Letter. Franchisor will issue a replacement comfort letter on the form of comfort letter in Franchisor's then-current franchise disclosure document, if: (A) Lender transfers the Loan to a successor mortgagee that is a financial institution in the business of routinely financing real estate transactions or designates a trustee of a trust established in connection with the securitization of the Loan (each, a "Replacement Event"), provided that such transferee or designee (i) is not a Competitor, an Affiliate of a Competitor, or a Restricted Person, (ii) is not an Affiliate of Franchisee or an Interestholder in Franchisee; and (iii) is not a Person which currently develops or operates any Franchisor Products (except for lenders or Affiliates thereof) and is not an Affiliate of, or an Interestholder in, such Person; and (B) Lender provides a written request to Franchisor, no later than 90 days after the Replacement Event, to issue a replacement comfort letter, and includes in such request: (i) the name and address of the entity for which the replacement comfort letter is requested to be issued, (ii) the name, address, telephone number, and email address for the contact person for such entity, (iii) the date of the Replacement Event, and (iv) a statement that the Loan is not in default; and (C) the entity for which the replacement comfort letter is requested enters into such replacement comfort letter within 60 days of receipt of a draft comfort letter from Franchisor. If Lender fails to comply with any of the foregoing conditions, then Lender will be deemed to have waived its right to receive a replacement comfort letter under this Paragraph 11. Franchisee will pay the then-current lender comfort letter processing fee for any such requests. Franchisor reserves the right to require representations and warranties or certifications that the conditions in this Paragraph 11 are met before issuing any replacement comfort letter. Any such replacement comfort letter will supersede this comfort letter.

12. Possession of the Hotel. If Lender or a receiver appointed at the request of Lender owns, controls, or possesses the Hotel, Lender will: (i) at Franchisor's request, after termination of the Franchise Agreement for any reason, immediately perform, or cause the receiver to perform, the requirements of the Franchise Agreement for de-identifying the Hotel as part of the «brand» system of hotels; and (ii) indemnify, defend, and hold harmless Franchisor and its Affiliates against any loss, claim, or other liability of any kind arising from or in connection with the operation of the Hotel as part of the «brand» system of hotels at any time during such ownership, control, or possession. Lender's obligations under this Paragraph 12 will survive termination of this comfort letter. Nothing in this comfort letter (or a court order appointing a receiver) will limit Franchisor's rights or remedies under the Franchise Agreement or to seek legal redress for any unauthorized use of Franchisor's trademarks, service marks, or systems.

13. Termination. This comfort letter will terminate and Lender will have no rights under this comfort letter if:

(A) Lender has been taken over in any manner by any state or federal agency or is in a receivership, conservatorship, reorganization, or liquidation, or Lender or any of its officers or directors

has entered into, or is subject to, a cease and desist order or any other formal or informal written agreement with a federal or state regulatory agency;

(B) Lender no longer holds a valid first mortgage or security deed for the Hotel, unless (a) Lender has acquired ownership, possession or control of the Hotel by foreclosure, deed in lieu of foreclosure, or any other exercise of its rights as a secured lender, in which case Lender will have the rights stated in Paragraph 2.A. for the period stated in such Paragraph; or (b) there has been a securitization or transfer of the Loan, in which case Lender will have the rights stated in Paragraph 11 for the period stated in such Paragraph;

(C) the Franchise Agreement has expired by its terms;

(D) the Franchise Agreement has been terminated, unless such a termination is the result of the timely exercise of Lender's rights under Paragraph 2 or Paragraph 3, in which case this comfort letter will terminate on the exercise or expiration of such rights, but in no event later than 45 days after such termination of the Franchise Agreement; or

(E) Lender breaches this comfort letter.

Lender agrees to notify Franchisor promptly following the occurrence of any of the circumstances described in clause (A) or (B) of this Paragraph 13, but Lender's failure to give such notice will not affect the automatic termination of this comfort letter.

14. Effectiveness. Franchisor will have no obligations under this comfort letter unless and until Lender, Franchisee, and Franchisor have executed this comfort letter and delivered it to the other parties. This comfort letter may be executed in any number of counterparts, each of which will be deemed an original and all of which constitute one and the same instrument. Delivery of electronic signature or an executed signature page by electronic transmission is as effective as delivery of an original signed counterpart. Each party hereto waives any defenses to the enforceability of the terms of this comfort letter based on the foregoing forms of signature.

15. Interpretation of Agreement. Lender, Franchisee, and Franchisor intend that this comfort letter excludes all implied terms to the maximum extent permitted by applicable law. Headings of Paragraphs are for convenience and are not to be used to interpret the Paragraphs to which they refer. Words indicating the singular include the plural and vice versa as the context requires. References to days, months, and years are all calendar references. References that a Person "will" do something mean the Person has an obligation to do such thing. References that a Person "may" do something mean the Person has the right, but not the obligation, to do so. References that a Person "may not" or "will not" do something mean the Person is prohibited from doing so. Examples used in this comfort letter and references to "includes" and "including" are illustrative and not exhaustive. Issuance of this comfort letter, as well as any terms granted herein, do not create any binding obligation on Franchisor to provide similar terms or conditions in the future. If not defined in this comfort letter **[or in Exhibit A to this comfort letter]**, capitalized terms have the meanings stated in the Franchise Agreement. **[NOTE: IF THE FORM OF THE FRANCHISE AGREEMENT PRE-DATES THE MARCH 31, 2025 FORM, ADD EXHIBIT A TO INCORPORATE NEW OR REVISED DEFINED TERMS.]**

{Signatures appear on the following page}

Very truly yours,

«FRANCHISOR_LICENSOR»

By: _____
Name:
Title:

«Franchise_Name»

By: _____
Name:
Title:

«Lender_Name»

By: _____
Name:
Title:

cc:

[NOTE: ADD THIS EXHIBIT A ONLY IF THE FORM OF THE FRANCHISE AGREEMENT PRE-DATES THE MARCH 31, 2025 FORM.]

EXHIBIT A

DEFINITIONS

Definitions. For the purposes of this comfort letter:

"Affiliate" means, for any Person, a Person that is directly or indirectly Controlling, Controlled by, or under common Control with such Person.

"Competing Brand" means a brand, trade name, trademark, system, collection or chain of hotels, Vacation Club Products, whole ownership facilities, short-term rentals, home sharing facilities, or other similar lodging facilities that competes with a Franchisor Product.

"Competitor" means any Person, or any Person that is an Affiliate of a Person, that has a direct or indirect Ownership Interest in or Control of, is the Master Franchisee for, or is the franchisor or licensor of a Competing Brand. No Person will be considered a Competitor if such Person has an interest in a Competing Brand merely as: (i) a franchisee, licensee or a management company that owns or operates lodging facilities under a Competing Brand so long as such Person is not a Master Franchisee for such Competing Brand; or (ii) a passive investor that has no Control over the business decisions of the Competing Brand, such as limited partners or non-Controlling stockholders.

"Control" (in any form, including "Controlling" or "Controlled") means, for any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person or the power to veto major policy decisions of such Person. If a Person (or group of Persons acting together collectively) beneficially owns less than 25% of the voting stock of a publicly-traded company, such Person (or group of Persons) will not be considered to have Control of such company solely because of such beneficial ownership.

"Franchisor Products" means any hotels and other lodging products, Vacation Club Products, residential products (such as single family homes or multi-unit apartment buildings or individual units within such buildings), restaurants, and other products, services, activities and business operations of any type that are managed, franchised, licensed, owned, leased, developed, promoted or provided by or associated with (including by membership or affiliation), Franchisor or any of its Affiliates, now or in the future, in whole or in part, using any brand name available to Franchisor or its Affiliates (including any brands or concepts currently used by Franchisor or its Affiliates for hotels and other lodging products, Vacation Club Products, residential products, whole ownership facilities, home sharing facilities, and other similar products or concepts, and any future brands or concepts developed or used by Franchisor or its Affiliates) or not using any brand name.

"Interestholder" means, for any Person, a Person that directly or indirectly holds an Ownership Interest in that Person.

"Master Franchisee" means a Person that has the exclusive rights to develop, operate or sub-license a Competing Brand.

"Ownership Interest" means all forms of legal or beneficial ownership of entities or property, including the following: stock, partnership, limited liability company, joint tenancy, leasehold, proprietorship, trust, beneficiary, proxy, power-of-attorney, option, warrant, and any other interest that evidences ownership or Control, whether direct or indirect (unless otherwise specified).

"Person" means an individual (and the heirs, executors, administrators or other legal representatives of an individual), a partnership, a joint venture, a firm, a company, a corporation, a governmental department or agency, a trustee, a trust, an unincorporated organization or any other legal entity.

"Reasonable Business Judgment" means:

1. For decisions affecting the System, that the rationale for Franchisor's decision has a business basis that is intended to: (i) benefit the System or the profitability of the System, including Franchisor, regardless of whether some hotels may be unfavorably affected; (ii) increase the value of the Proprietary Marks; (iii) enhance guest, franchisee or owner satisfaction; or (iv) minimize potential brand inconsistencies or customer confusion; and

2. For decisions unrelated to the System (for example, a requested approval for the Hotel), that the rationale for Franchisor's decision has a business basis and Franchisor has not acted in bad faith.

"Restricted Person" means a Person: (a) that is identified by any government or legal authority as a Person with whom Franchisor or its Affiliates are prohibited or restricted from transacting business, including: (i) any Person on the U.S. Department of Treasury's *Office of Foreign Assets Control List of Specially Designated Nationals and Blocked Persons*, the U.K. list of *Financial Sanctions Targets maintained by His Majesty's Treasury*, the *Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions*, or any other list or designation of targeted persons, entities or groups under economic sanctions laws made by the United States, the European Union, the United Kingdom or the United Nations Security Council; and (ii) any Person ordinarily resident, incorporated, or located in any Sanctioned Territory, or owned or Controlled by, or acting on behalf of, the government of any Sanctioned Territory; or (b) that is directly or indirectly Controlled by, or 10% or more owned by, or the designee of or acting on behalf of, any Person identified in clause (a).

"Sanctioned Territory" means any country or territory subject to (i) a comprehensive export, import, or financial embargo under the U.S., U.K., E.U. or U.N.; or (ii) sanctions that materially and adversely restrict Franchisor from providing services under the Franchise Agreement in accordance with Franchisor's standards or Franchisee from operating the Hotel in accordance with Franchisor's standards.

"Vacation Club Products" means timeshare, fractional, interval, vacation club, destination club, vacation membership, private membership club, private residence club, and points club products, programs and services and includes other forms of products, programs and services where purchasers acquire an ownership interest, use or other rights to use determinable leisure units on a periodic basis and pay in advance for such ownership interest, use or other right.

EXHIBIT O

PRE-OPENING AGREEMENT

[DATE]

{name}
{address}

Re: Proposed Conversion of _____ (the "Hotel") to a/an **[Autograph Collection] [Delta] [Le Méridien] [[JW] Marriott] [Renaissance] [Sheraton] [The Luxury Collection] [Tribute Portfolio] [Westin]** Hotel

Dear _____:

This letter agreement ("Letter Agreement") sets forth our understandings regarding the procurement of, and payment for, information and technology systems and related training and other services for the Hotel.

Marriott International, Inc. ("Marriott") is currently in negotiations with _____ ("Franchisee"), regarding a/an **[Autograph Collection] [Delta] [Le Méridien] [[JW] Marriott] [Renaissance] [Sheraton] [The Luxury Collection] [Tribute Portfolio] [Westin]** franchise agreement for the Hotel. Franchisee has informed Marriott of its desire to convert the Hotel to a/an **[Autograph Collection] [Delta] [Le Méridien] [[JW] Marriott] [Renaissance] [Sheraton] [The Luxury Collection] [Tribute Portfolio] [Westin]** Hotel on or about _____. Franchisee acknowledges that Marriott does not typically conduct site visits or place orders for information and technology systems **[in certain instances, add:** and related training**]** and other services for the Hotel (the "Goods") before the execution of a franchise agreement. However, as an accommodation to Franchisee and in order to meet Franchisee's desired conversion deadline, Marriott is willing to conduct site visits and submit orders for the Goods on the terms of this Letter Agreement.

Marriott and Franchisee agree that Marriott will order the Goods referenced in the attached estimate worksheet (the "Cost Estimate") before the execution of a franchise agreement. The cost estimate for the procurement of such Goods for the Hotel is $_____. Franchisee acknowledges that the costs for such items and services are subject to change and that the actual costs may exceed the Cost Estimate.

Franchisee agrees to pay, or cause to be paid, Marriott's expenses incurred in connection with such site visits and the Goods ordered by Marriott for the Hotel, regardless of whether the parties enter into a franchise agreement. Such payment shall be due and payable to Marriott within 30 days of Franchisee's receipt of an invoice from Marriott.

Nothing in this Letter Agreement will be construed as an obligation by Marriott to grant a franchise to Franchisee for the Hotel, authorization to use any of the Goods, or authorization to advertise or present the Hotel as a member (or future member) of the **[Autograph Collection] [Delta] [Le Méridien] [[JW] Marriott] [Renaissance] [Sheraton] [The Luxury Collection] [Tribute Portfolio] [Westin]** Hotel System. Such franchise and authorizations will only be granted pursuant to a signed franchise agreement between Franchisee and Marriott.

Franchisee represents that it has ownership, possession or control of the Hotel and the Site and the right to enter into this Term Sheet and the Agreements. Franchisee represents and warrants to

Franchisor that no agreement or other arrangement of any type (including any management agreement, franchise agreement, letter of intent, option to purchase, technical services agreement, reservation agreement, or any oral agreement or course of conduct which could be construed to be a contract) exists, as of the date of this Term Sheet, with any third party relating to the Site or the Hotel, which would prohibit or conflict with the Franchisee's ability to enter into this Term Sheet or the Agreements (each, a "Third Party Agreement"). If any Third Party Agreement exists, on request of Franchisor, Franchisee will provide documentation acceptable to Franchisor that evidences the expiration or right to terminate such Third Party Agreement. Franchisee will defend, indemnify and hold harmless Franchisor, its Affiliates, and their respective directors, officers, employees, and agents, from any claim, loss, liability, cost, or expense arising out of any agreement alleged by any third party to be in conflict with this Term Sheet.

Except as required by law or as necessary to enforce this Letter Agreement in any legal proceedings, Franchisee agrees to keep confidential and not disclose (a) the existence or terms of this Letter Agreement and (b) any proprietary information or know-how associated with the technology systems purchased in accordance with this Letter Agreement, in each case, to any person or entity, without the prior written consent of Marriott.

This Letter Agreement (a) sets forth the entire agreement between the parties pertaining to the subject matter of this Letter Agreement, (b) is governed by and construed under the laws of the State of Maryland, which laws will prevail in the event of any conflict of law, (c) is not assignable by Franchisee without the consent of Marriott, (d) is binding upon and inures to the benefit of the parties and their permitted successors and assigns, and (e) may be executed in counterparts, all of which constitute one and the same instrument. Delivery of an executed signature page by electronic transmission is as effective as an original signed counterpart. Upon execution by Franchisee and Marriott of a franchise agreement for the Hotel, this Letter Agreement shall automatically terminate and be superseded by the provisions of the franchise agreement.

Please indicate your acceptance of the terms of this Letter Agreement by signing this Letter Agreement, under seal, in the space provided below and returning an executed version to Marriott.

Respectfully,

MARRIOTT INTERNATIONAL, INC.

By: _____ (SEAL)
Name:
Title:

Agreed to and Acknowledged on this _____:

[FRANCHISEE]

By: _____ (SEAL)
Name:
Title:

COST ESTIMATE

EXHIBIT P

SAMPLE FINANCE AGREEMENTS

Credit Enhancement Commitment Letter

_____, 20__

_____
_____
_____
Attention: _____

Re: Credit Enhancement in connection with a *[brand]* hotel to be located in _____ ("**Project**")

Dear _____:

We are pleased to inform you that Marriott International Capital Corporation *[MICC (California), LLC for California transactions]* ("**MICC**"), has approved a limited payment guaranty ("**Credit Enhancement**") of the Loan (as defined below) for the *[construction and]* mini-permanent financing of the Project, subject to the terms and conditions set forth herein ("**Commitment**").

1. **Description of Project**: When completed, the Project will consist of a _____ -room *[brand]* hotel ("**Hotel**") situated on a _____-acre site in _____. *[The Hotel will be constructed on a parcel that is subject to a long-term ground lease ("**Ground Lease**") and Borrower is the tenant under the Ground Lease.]*

2. **Borrower**: _____, a _____, a single asset "bankruptcy remote" entity, whose sole purpose is the development and ownership of the Project.

3. **Lender**: _____.

4. **Loan**: _____ Dollars ($_____.00) loan from Lender to Borrower. The Loan will be secured by a first priority deed of trust or mortgage encumbering the Project ("**Mortgage**") in favor of Lender.

5. **Credit Enhancer**: MICC.

6. **Guaranteed Amount**: MICC shall guarantee a portion of the Loan equal to the lesser of: (i) _____ Dollars ($_____.00), or (ii) the amount that is equal to *[_____ percent (___ %) of the outstanding principal balance of the Loan / ten percent (10%) of Project Costs ("**Maximum Amount**"). As used herein, "**Project Costs**" means (a) the acquisition costs of the land on which the Project is located; (b) all labor, materials, and services needed to design and construct the Hotel; (c) interest and closing costs for the Loan; and (d) all other expenses anticipated by Borrower incident to the acquisition of the property, construction of the Hotel and closing the Loan]* ("**Maximum Amount**"). ***[Note – conform to specifics of Credit Enhancement Agreement]***

7. **Credit Enhancement Obligations**: MICC and Lender shall execute a Credit Enhancement Agreement setting forth the rights and obligations of those parties and the terms and conditions upon which MICC shall pay guaranteed amounts up to the Maximum Amount. MICC's obligations to Lender under the Credit Enhancement Agreement shall arise upon the occurrence of a failure by Borrower or _____, as guarantor under the Loan, to make any scheduled monthly payment of principal and/or interest under the Loan or to fund any construction shortfall as determined by the Lender. Upon receipt of a notice of such a default, MICC may elect to:

(a) cure the default by making the delinquent payment of principal and/or interest directly to Lender or by funding the amount of the construction shortfall, as applicable, or

(b) purchase the Loan from Lender, or

(c) direct Lender to pursue its remedies under the Mortgage, after which MICC shall reimburse Lender, up to the Maximum Amount, for any deficiency.

8. **Reimbursement Agreement and Equity Pledge**:

(a) In consideration for MICC's agreement to provide the Credit Enhancement, Borrower and _____ and _____, its *[members / partners / shareholders]* ("***Members / Partners***"), shall deliver to MICC a Reimbursement Agreement ("**Reimbursement Agreement**") and shall cause the *[Members / Partners]* to deliver to MICC a first priority Assignment of Equity Interests and Security Agreement ("**Equity Pledge**") encumbering one hundred percent (100%) of the *[Member / Partner / shareholder]* interests in Borrower and the right to any distributions on account thereof.

(b) The Reimbursement Agreement shall provide that any advance made by MICC to Lender to cure a Borrower default shall be repaid by Borrower and/or *[Members / Partners]* to MICC, together with interest and other fees incurred by MICC. Advances made by MICC under the Credit Enhancement Agreement shall accrue interest at an annual rate of interest equal to one-half of one percent (0.5%) above the rate of interest accruing on the Loan.

(c) The Equity Pledge shall secure the reimbursement obligations to MICC for advances made by MICC to Lender under the Credit Enhancement Agreement. To the extent that advances made by MICC are not repaid in accordance with the terms of the Reimbursement Agreement, the Equity Pledge shall permit MICC to (i) receive any and all net operating income from the operation of the Project and/or sale, refinance or casualty proceeds that would otherwise be payable to Borrower and/or *[Members /Partners]* up to the amount due under the Reimbursement Agreement, and (ii) foreclose the *[Member / Partner]* pledges, which may result in MICC becoming the owner of the *[Member / Partner]* interests in Borrower.

9. **MICC Documents**: As a condition to MICC providing the Credit Enhancement to Lender, the following documents shall be delivered to MICC in form acceptable to MICC: (i) Reimbursement Agreement executed by Borrower and *[Members / Partners]*; (ii) Equity Pledge executed by the *[Members / Partners]*; (iii) UCC Financing Statements; (iv) Guaranty Agreement (limited to non-recourse carveout acts identified in the Guaranty Agreement)

executed by_____ and _____ (individually and collectively, "**Limited Recourse Guarantor**"); (v) Environmental Indemnity Agreement executed by Borrower and Limited Recourse Guarantor; and (vi) such other documents as MICC shall require (collectively, "**MICC Documents**"). The MICC Documents shall contain such covenants, conditions and provisions as are customary in MICC's credit enhancement transactions.

10. **Due on Sale / Due on Encumbrance**: The MICC Documents contain due on sale and due on encumbrance clauses that prohibit the sale or encumbrance of the Project or any of the *[Member / Partner]* interests in Borrower without the prior written consent of MICC, which consent may be granted or withheld in MICC's sole discretion. The foregoing provisions of this paragraph notwithstanding, the Project may be encumbered by the Mortgage in favor of Lender.

11. **Financial Statements**: Borrower shall furnish to MICC quarterly and annual financial statements of Borrower and the *[Members / Partners]*, annual income statements for the Project, and such other financial or operating information as MICC may from time to time reasonably require.

12. **Default Provisions**: In addition to MICC's customary provisions concerning defaults, each of the following shall constitute a default under the MICC Documents:

(a) the failure to obtain MICC's approval in connection with any sale, transfer or encumbrance of the Project or any of the *[Member / Partner]* interests in Borrower;

(b) the occurrence of a default under, or a termination of, the Marriott Franchise Agreement; and

(c) the occurrence of a default beyond any applicable grace period in the performance of any of its obligations under the Mortgage, or any lien, encumbrance, security agreement or ground lease affecting the Project.

13. **Guaranty Fee**: In consideration for MICC's providing the Credit Enhancement, Borrower shall pay to MICC a *[monthly / one-time upfront]* fee in the amount of _____ *[percent (____ %) of the Loan balance]*. ***[Note – conform to specifics of the deal]***

14. **Legal Fees and Expenses**: By execution of this Commitment, Borrower and *[Members / Partners]* acknowledge that MICC is deemed to have earned the right to reimbursement for the fees, costs and expenses incurred by MICC in connection with the transaction described herein. Borrower and *[Members / Partners]* agrees that in the event the Loan and/or the Credit Enhancement transactions contemplated herein are not consummated for any reason whatsoever, or this Commitment is terminated for any reason whatsoever, Borrower and/ or *[Members / Partners]* shall nevertheless pay or reimburse MICC, on demand, for all such fees, costs and expenses.

15. **Choice of Law**: The MICC Documents shall be governed and controlled by the laws of the State of Maryland.

16. **Legal Opinions**: MICC shall require, and Borrower shall deliver at closing, opinions of Borrower's counsel which address, among other matters: (i) the enforceability of the MICC Documents; (ii) the authority of Borrower, the *[Members / Partners]*, and Limited Recourse Guarantor (to the extent the same are not individuals) to enter into and consummate the transaction; and (iii) such other opinions as MICC deems reasonably appropriate. The form and content of such opinions shall be acceptable to MICC in its reasonable discretion.

17. **Conditions to Closing**: As a condition to MICC's delivery of the Credit Enhancement Agreement to Lender, MICC shall receive from Borrower, or have evidence of satisfactory completion of, the following items:

(a) Fully executed MICC Documents;

(b) Opinions from legal counsel to Borrower, the *[Members / Partners]*, and Limited Recourse Guarantor, and each entity signing on behalf of Borrower, the *[Members / Partners]*, and/or Limited Recourse Guarantor;

(c) Organizational and authorization documents for Borrower, the *[Members / Partners]*, and Limited Recourse Guarantor (to the extent the same are not individuals), and each upstream entity signing on behalf of the *[Members / Partners]* and/or Limited Recourse Guarantor;

(d) Evidence that the Franchise Agreement is in full force and effect and that there exist no defaults or Events of Default (as defined in the Franchise Agreement) thereunder;

(e) Payment to MICC of all fees and expenses required by this Commitment;

(f) Receipt of budgets, appraisal and feasibility reports, financial statements and other studies or certifications required by this Commitment;

(g) Receipt of a Phase I environmental study for the Project issued for the benefit of Lender and MICC and prepared by an environmental engineer acceptable to MICC in the exercise of its reasonable discretion;

(h) Evidence that Lender's loan documents have been executed and delivered and that all conditions to funding of the Loan have been satisfied;

(i) UCC, tax, judgment and litigation searches for Borrower, the *[Members / Partners]*, and Limited Recourse Guarantor, indicating that there are no liens, pending or threatened lawsuits, legal proceedings, governmental investigations or similar matters against Borrower, the *[Members / Partners]*, Limited Recourse Guarantor, and/or the Project;

(j) Receipt of legible copies of all recorded title exceptions, a copy of the owner's title insurance policy, and an ALTA 16 mezzanine financing endorsement to the owner's title insurance policy.

(k) Evidence that the Project is fully insured;

If there is a Ground Lease, add -

(__) [Receipt of the executed Ground Lease and an acknowledgement that the Ground Lease is not in default;

(__) To the extent required, in the sole and absolute discretion of MICC, fee owner/ground lessor shall execute and deliver to MICC an estoppel certificate confirming that (i) the ground lessor will give MICC notices of default under the Ground Lease, (ii) the ground lessor will permit MICC to cure any defaults under the Ground Lease, (iii) a foreclosure by MICC of the Equity Pledge will not constitute a default or cause a termination under the Ground Lease, nor will it cause the Ground Lease to be amended to the detriment of the ground lessee, (iv) if the Ground Lease is terminated prior to the natural expiration of its term, MICC or its designee shall have the right to acquire from the ground lessor a new lease on substantially the same terms, and (v) such other matters as may be reasonably required by MICC;]

If the Credit Enhancement is effective after completion of construction, add -

(__) Final "as completed" plans and specifications;

(__) Final inspection and approval by MICC and Franchisor that the Hotel, as constructed, conforms to Franchisor's requirements and is open and operating;

(__) Receipt of an ALTA "as built" survey showing the Hotel and other improvements;

If the Credit Enhancement is effective immediately, add –

(__) Evidence that the plans for the construction of the Hotel have been reviewed by Marriott and determined to be satisfactory;

(__) Satisfaction of such other conditions as required in the reasonable opinion of MICC.

18. **Closing**: In the event that all of the terms and conditions described herein have not been satisfied on or before _____, time being of the essence to such date, this Commitment shall automatically terminate without the need for action by or notice from MICC. Upon a termination of this Commitment, MICC shall have no further obligations hereunder.

19. **Acceptance Date**: This Commitment must be executed and delivered to MICC not later than _____, 20__, otherwise this Commitment shall expire automatically without any required action by, or notice from, MICC. Upon expiration of this Commitment, MICC shall have no further obligations hereunder.

20. **Counterparts**: This Commitment may be executed in one or more counterparts, each of which alone and all of which together shall be deemed an original.

21. **Time of Essence**: Time is of the essence with respect to all dates and time periods set forth herein.

It is a pleasure to provide to you this Commitment. We look forward to working with you on this transaction.

Sincerely,

MARRIOTT INTERNATIONAL CAPITAL CORPORATION, a Delaware corporation

By: _____

Name: _____

Title: _____

ACCEPTED AND AGREED TO ON THIS

_____ day of _____, 20__

BORROWER:

_____

By: _____

Name: _____

Title: _____

LIMITED RECOURSE GUARANTOR:

_____

By: _____

Name: _____

Title: _____

)

REIMBURSEMENT AGREEMENT

THIS REIMBURSEMENT AGREEMENT ("**Agreement**") is made and entered into as of the _____ day of _____, 20__, by _____, a _____ and _____, a _____ (individually, "**Obligor**" and collectively, "**Obligors**") for the benefit of **MARRIOTT INTERNATIONAL CAPITAL CORPORATION**, a Delaware corporation ("**MICC**").

R E C I T A L S

A. _____ ("**Borrower**") is the owner of a certain *[to be constructed]* _____ hotel located in _____ ("**Project**").

B. Borrower is entering into a mortgage loan with _____ Bank, a _____ banking corporation ("**Lender**"), pursuant to which Lender is lending up to _____ Dollars ($_____.00) ("**Loan**") in connection with the construction and mini-permanent financing for the Project.

C. The Loan is evidenced by a certain promissory note from Borrower to Lender ("**Note**") and is secured by a *[Deed of Trust / Mortgage]* from Borrower for the benefit of Lender ("***Deed of Trust / Mortgage***"). The Note, the *[Deed of Trust / Mortgage]* and the other documents executed by Borrower to evidence or secure the Loan are hereinafter collectively referred to as the "**Senior Loan Documents**."

D. Borrower and _____ ("**Marriott**") have entered into a Franchise Agreement pursuant to which the Project will be operated as a _____ hotel.

E. MICC is providing credit enhancement of a portion of the Loan up to a maximum amount of _____ Dollars ($_____.00) pursuant to and in accordance with that certain Credit Enhancement Agreement by and between MICC and Lender ("**Credit Enhancement Agreement**").

F. As a condition to MICC's agreement to credit enhance the Loan and to enter into the Credit Enhancement Agreement, MICC is requiring that Obligors and certain of their affiliates execute and deliver to MICC: (i) this Agreement, (ii) that certain Assignment of Equity Interests and Security Agreement ("**Equity Pledge**") and (iii) certain other documents evidencing and/or securing the obligations of Obligors to reimburse MICC for advances made by MICC to Lender under the Credit Enhancement Agreement ("**MICC Loan Documents**").

In consideration of the foregoing, the covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by Obligors, Obligors agree as follows:

1. Definitions.

1.1 All capitalized terms not defined herein shall have the meaning set forth in this Section 1, or, if not defined herein, shall have the meaning set forth in the Equity Pledge, unless the context clearly indicates that a different meaning is to be applied.

1.2 The following terms shall have the definitions indicated:

"**Advance**" means a payment by MICC to Lender as required by the Credit Enhancement Agreement. In no event shall Advances exceed the lesser of (i) the amount then due and owing from Borrower to Lender under the Senior Loan Documents or (ii) the maximum amount of MICC's credit enhancement obligation to Lender as set forth in the Credit Enhancement Agreement.

"**Business Day**" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized or required to close under the laws of the State of Maryland.

"**Excess Cash Flow**" shall mean the amount by which (a) Operating Profit exceeds Senior Debt Service, and (b) proceeds from the sale, refinancing or condemnation of the Project and insurance proceeds other than business interruption or loss of income insurance exceed the amount due under the Senior Loan Documents.

"**Interest Rate**" shall mean the annual rate of interest equal to _____ percent (_____%).

"**Operating Profit**" shall mean all revenues and receipts of every kind derived from operating the Project (excluding gratuities to employees, sales or use taxes, proceeds from the sale, refinancing or condemnation of the Project, and insurance proceeds other than business interruption or loss of income insurance) less all operating expenses, base management fees, real estate and personal property taxes, and insurance premiums relating to the operation of the Project and appropriate reserves for the replacement of furniture, fixtures and equipment at the Project.

"**Senior Debt Service**" means the next scheduled payment of ordinary interest only or principal and interest, as the case may be, under the Senior Loan Documents.

2. Reimbursement Obligation.

2.1 Obligors unconditionally promise and agree to pay to MICC an amount equal to each Advance, plus interest on each Advance at the Interest Rate ("**Reimbursement Obligation**"). The Reimbursement Obligation shall be due and payable by Obligors to MICC immediately upon each Advance. Interest shall be payable on each Advance for the period commencing on the date MICC makes the Advance to Lender and continuing thereafter until the

Advance is repaid by Obligors in full. Interest shall be calculated based on a year of 365 days, and the actual number of days elapsed.

2.2 After each Advance and until the Reimbursement Obligation is paid in full, MICC shall have such rights and remedies as are set forth in the Equity Pledge and the other MICC Loan Documents. In addition, until such time as MICC exercises its remedies under the Equity Pledge and the other MICC Loan Documents, Obligors agree to pay to MICC all Excess Cash Flow. To the extent any Excess Cash Flow is under the control of the manager of the Project, Obligors hereby authorizes and directs the manager of the Project to pay all Excess Cash Flow to MICC upon demand by MICC.

3. **Fees and Expenses**. In addition to the obligations of Obligors set forth in Section 2 above, Obligors agree absolutely and unconditionally, to pay to MICC the following:

3.1 Any and all fees, costs, charges and expenses (including reasonable attorneys' fees and expenses) incurred by MICC in connection with its payment obligations to Lender or in connection with the preservation of its rights or remedies under the Credit Enhancement Agreement;

3.2 Any and all fees, costs, charges and expenses (including reasonable attorneys' fees and expenses) incurred by MICC in connection with the administration or enforcement of its rights under this Agreement and the other MICC Loan Documents;

3.3 Any and all fees, costs, charges and expenses (including reasonable attorneys' fees and expenses) incurred by MICC in the event MICC purchases the Loan after the occurrence of an "Event of Default" (as defined in the Senior Loan Documents) by Obligors under the Senior Loan Documents; and

3.4 Interest on any and all amounts referred to in subsections 3.1 through 3.3 above, payable at the Interest Rate, from the date first due under this Section until payment of all such amounts in full.

All amounts to be paid pursuant to subsections 3.1 through 3.4 of this Section shall be payable immediately upon demand separate and apart from principal, interest and other amounts due under the Senior Loan Documents.

4. **Payments**. All payments shall be made in immediately available funds to MICC at 7750 Wisconsin Avenue, Department 52/924.11, Bethesda, Maryland 20814, Attention: Treasury Department, or such other address specified by MICC in a notice to the *[members / partners]* of Borrower given in accordance with the terms of the Equity Pledge. All payments received by MICC may be applied by MICC to any obligation of Obligors hereunder or under the Equity Pledge in such order as MICC, in its sole discretion, shall elect. Any payment received after 2:00 p.m., Washington, D.C. time, shall be treated as if it were paid at 9:00 a.m., Washington, D.C. time, on the next Business Day.

5. **Subrogation**. Obligors acknowledge that MICC is to be fully subrogated, to the extent of any Advance made by MICC, to the rights of Lender to any moneys paid or payable under the Senior Loan Documents and all security therefor under the Senior Loan Documents.

Obligors agree to execute such instruments, and to take such actions as MICC shall request to evidence such subrogation and to perfect the rights of MICC to the extent necessary to provide reimbursement under the Senior Loan Documents.

6. **Termination**. Subject to the provisions of Section 15 of this Agreement, this Agreement and obligations of Obligors hereunder shall terminate upon the later to occur of: (i) the termination of the Credit Enhancement Agreement, or (ii) the payment in full by Obligors of the Reimbursement Obligation set forth in Section 2 above and the fees and expenses set forth in Section 3 above.

7. **Notice**. All notices and other communications required to be given hereunder shall be in writing and shall be delivered personally or shall be sent by registered mail, certified mail or Express Mail service, postage prepaid and return receipt requested, or by a nationally recognized overnight delivery service, addressed to the parties as set forth below. Any notice provided shall be deemed received when delivery is received or refused, as the case may be. Additionally, notices may be given by telephone facsimile or electronic e-mail transmission, provided that an original of said transmission shall be delivered to the addressee by a nationally recognized overnight delivery service on the day following such transmission. Telephone facsimiles and e-mail transmissions shall be deemed delivered on the date of such transmission.

If to Obligors: _____
_____
_____
Attn: _____
Facsimile: _____
Email: _____

with a copy to: _____
_____
_____
Attn: _____
Facsimile: _____
Email: _____

If to MICC: Marriott International Capital Corporation
c/o Marriott International, Inc.
Department 52/923
7750 Wisconsin Avenue
Bethesda, Maryland 20814
Attn: General Counsel
Facsimile: _____
Email: _____

with a copy to: _____
_____
_____
Attn: _____
Facsimile: _____
Email: _____

8. Independent Obligation. Obligors agree that this Agreement and the other MICC Loan Documents create obligations of Obligors to MICC that are independent of the obligations of Obligors to Lender under the Senior Loan Documents. Obligors agree that any release by Lender of Obligors under the Senior Loan Documents shall not operate as, or be deemed to be, a release by MICC of Obligors under this Agreement or the MICC Loan Documents.

9. Entire Agreement. This Agreement and the other MICC Loan Documents embody the entire agreement between MICC and Obligors with respect to the obligations set forth herein and in the MICC Loan Documents. The MICC Loan Documents supersede all prior agreements and understandings, if any, with respect to the Reimbursement Obligation of Obligors to MICC. This Agreement may not be modified, amended or superseded except in a writing signed by MICC and Obligors.

10. Governing Law. This Agreement was negotiated in the State of Maryland, and accepted by MICC at its corporate offices in the State of Maryland. Any Advance that would give rise to the Reimbursement Obligations hereunder shall be made by MICC from its corporate offices in the State of Maryland and any payment by Obligors on account of such Reimbursement Obligations shall be made to MICC at its corporate offices in the State of Maryland. Obligors agree that the State of Maryland has substantial relationship to the transaction evidenced hereby and further agrees that this instrument shall be construed according to and governed by the internal laws of the State of Maryland without regard to principles of conflicts of law.

11. Consent to Jurisdiction. Notwithstanding the place of execution of this instrument, the parties to this instrument submit and consent to personal jurisdiction of the Courts of the State of Maryland and Courts of the United States of America sitting in Maryland for the enforcement of this Agreement, and waive any and all personal rights under the laws of any state or the United States of America to object to jurisdiction in the State of Maryland. Litigation may be commenced in any state court of general jurisdiction for the State of Maryland or the United States District Court located in that state, at the election of the MICC. Commencement of any such action or proceeding in any other state shall not constitute a waiver of consent to jurisdiction or of the submission made by the parties to this instrument to personal jurisdiction within the State of Maryland. Notwithstanding the foregoing, jurisdiction and venue for litigation arising from or in connection with this Agreement shall be in Montgomery County, Maryland.

12. Incorporation of Recitals. The Recitals to this Agreement are an integral part hereof and are hereby incorporated herein.

13. **Waiver**. Obligors hereby (i) waive and renounce any and all homestead exemption rights and the benefits of all valuation and appraisement privileges as against the Reimbursement Obligation; (ii) waive presentment, demand, protest, notice of nonpayment, notice of dishonor and any and all lack of diligence or delays in the collection or enforcement hereof except for the notice requirements, if any, set forth above; and (iii) **waive all rights to trial by jury in any action or proceeding instituted by or against Obligors which pertain directly or indirectly to this Agreement, or which arise out of or are in any way connected to the relationship between Obligors and MICC hereunder.** Obligors represent, warrant and agree that MICC has made no representations or commitments, oral or written, or undertaken any obligations other than as expressly set forth in this Agreement and the MICC Loan Documents.

14. **Not Usurious**. In no event shall the amount of interest due or payable hereunder exceed the maximum amount of interest allowed by applicable law or otherwise violate applicable law, and in the event any payment is made which exceeds such maximum lawful amount, then the amount of such excess sum shall be credited as a payment of the Reimbursement Obligation. It is the express intent hereof that Obligors shall not pay and MICC shall not receive, directly or indirectly, interest in excess of what may lawfully be paid by Obligors under applicable law.

15. **Voidable Preference; Fraudulent Conveyance**. If, at any time, any payment, or portion thereof, made on account of any of the obligations and liabilities hereunder is set aside as a voidable preference or fraudulent conveyance or must otherwise be restored or returned by MICC under any insolvency, bankruptcy or other federal and/or state laws, this Agreement shall continue and remain in full force and effect or be reinstated, as the case may be, all as though such payment or payments had not been made.

16. **Review of Agreement**. Obligors represent and warrant to MICC that they (i) have read each and every provision of this instrument, (ii) have consulted, or has been given the opportunity to have this instrument reviewed by competent legal counsel of their choosing, and (iii) understand, agree to and accept the provisions hereof.

17. **Severability**. If any provision in this Agreement shall be illegal or unenforceable, such provision shall be deemed to be replaced by the valid and enforceable provision that is substantively most similar to such invalid or unenforceable provision, but the remaining provisions shall not be affected thereby.

18. **Successors and Assigns**. This Agreement and all of the terms, conditions and obligations hereunder shall be binding upon and inure to the benefit of Obligors, MICC and their respective successors and assigns. The forgoing provisions of this Section notwithstanding, an assignment of Obligor's obligations under this Agreement shall not release from or relieve Obligors of their obligations hereunder.

19. **Confession of Judgment**. Each Obligor hereby irrevocably constitutes, appoints and authorizes the clerk of any court or any attorney to appear for such Obligor in any state or federal court having jurisdiction in the State of Maryland, to waive the issuance and service of process, and to confess judgment against such Obligor in favor of MICC in the full amount owing hereunder, plus court costs and an attorney's fee equal to fifteen percent (15%) of the outstanding amount owed under this Agreement. Each Obligor waives the benefit of any and

every statute, ordinance or rule of court which may be lawfully waived which confers upon such Obligor any right of appeal, vacating or granting relief from enforcement of a confessed judgment. Each Obligor waives any and all defenses in connection therewith, including, but not limited to, any defense or claim that MICC acted improperly, negligently or unreasonably in connection with the obligations evidenced by this Agreement. No single exercise of the foregoing power to confess the judgment shall be deemed to exhaust the power, whether or not any such exercise shall be held by a court to be valid, voidable or void, but the power shall continue undiminished and it may be exercised from time to time as often as MICC shall elect, until such time as MICC shall have received payment in full of the Reimbursement Obligations, together with interest thereon, plus attorneys' fees and costs as set forth in this Section 19.

20. **Business Purpose**. Obligors represent and warrant that the indebtedness evidenced by this Agreement was obtained in connection with a business or commercial enterprise.

21. **Joint and Several Obligations**. To the extent that Obligors are comprised of more than one person or entity, the liabilities and obligations of Obligors under this Agreement shall be joint and several.

22. **Captions**. The captions used herein are for convenience of reference only and shall not be used to interpret or define the provisions of this Agreement.

TIME IS OF THE ESSENCE WITH RESPECT TO EACH PROVISION OF THIS AGREEMENT.

(SIGNATURES ON FOLLOWING PAGE)

IN WITNESS WHEREOF, intending this instrument under seal, this Agreement has been executed under seal by Obligors as of the day and year first above written.

OBLIGORS:

_____, a _____

By: _____[SEAL]

Name: _____

Title: _____

STATE OF _____:
: ss:
COUNTY OF _____:

I, _____, a Notary Public for the State and County aforesaid, do certify that _____, being the _____ of _____, a _____, the _____ of _____, a _____, an Obligor hereunder, has acknowledged that the foregoing was signed and sealed on behalf of said _____ by authority of the _____ of Obligor, and (s)he acknowledged said instrument to be the free act and deed of said _____.

Given under my hand this _____ day of _____, 20__.

_____
Notary Public

My commission expires: _____

Signature Page for Reimbursement Agreement

ASSIGNMENT OF EQUITY INTERESTS
AND SECURITY AGREEMENT

This ASSIGNMENT OF EQUITY INTERESTS AND SECURITY AGREEMENT ("**Security Agreement**") is made as of the _____ day of _____, 20__ by _____, a _____ ("___"), and _____, a _____ ("___") (individually, a "**Grantor**" and collectively, "**Grantors**"), to and in favor of **MARRIOTT INTERNATIONAL CAPITAL CORPORATION**, a Delaware corporation (together with its successors and assigns, "**MICC**").

R E C I T A L S

A. Grantors together own one hundred percent (100%) of the ***[****membership interests / partnership interests / shares****]*** in _____, a _____ ("**Company**"). _____ is the ***[****Managing Member / Manager / General Partner****]*** of the Company.

B. As of the date hereof, Company is entering into a mortgage loan with _____ Bank ("**Senior Lender**"), pursuant to which Senior Lender is lending up to _____Dollars ($_____.00) to Company ("**Senior Loan**") in connection with the construction and mini-permanent financing of a _____ hotel in _____, _____ ("**Project**").

C. The Senior Loan is evidenced by a certain promissory note from Company to Senior Lender ("**Note**") and is secured by a ***[****Deed of Trust / Mortgage****]*** from Company for the benefit of Senior Lender ("***Deed of Trust / Mortgage***"). The Note, the ***[****Deed of Trust / Mortgage****]*** and the other documents executed by Company to evidence or secure the Senior Loan are hereinafter collectively referred to as the "**Senior Loan Documents**."

D. MICC is providing credit enhancement of a portion of the Senior Loan up to a maximum amount of _____ Dollars ($_____.00) pursuant to and in accordance with that certain Credit Enhancement Agreement by and between MICC and Senior Lender ("**Credit Enhancement Agreement**").

E. As a condition to MICC's entering into the Credit Enhancement Agreement, MICC is requiring that Grantors execute and deliver this Security Agreement to secure the prompt and complete performance of all the obligations and payment of all of the indebtedness under (i) that certain Reimbursement Agreement of even date herewith executed by Grantors and Company for the benefit of MICC ("**Reimbursement Agreement**"), (ii) that certain Guaranty Agreement of even date herewith executed by _____ ("**Guarantor**") for the benefit of MICC ("**Guaranty Agreement**"), and (iii) that certain Hazardous Substances Indemnity Agreement of even date herewith executed by Company and Guarantor for the benefit of MICC ("**Indemnity Agreement**") (collectively, with Grantors' obligations under this Security Agreement, "**Liabilities**").

F. Grantors acknowledge that they will receive substantial economic benefits from MICC's agreement to provide credit support for the Senior Loan, and Grantors have agreed to execute and deliver this Security Agreement to secure the performance and satisfaction of the Liabilities.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that the foregoing recitals are hereby incorporated by this reference as if fully restated herein, and further agree as follows:

1. Defined Terms. As used in this Security Agreement, the capitalized terms set forth in this Section 1 shall have the meanings specified below:

"**Advance**" shall mean a payment by MICC to Senior Lender as required by the Credit Enhancement Agreement.

"**Company**" shall have the meaning ascribed to such term in Recital A of this Security Agreement.

"**Code**" shall mean the Uniform Commercial Code as the same may from time to time be enacted, amended or supplemented in the State of Maryland.

"**Collateral**" shall mean:

(i) all of Grantors' right, title and interest as a *[member / partner / shareholder]* of the Company, including without limitation, all of Grantors' right to receive distributions, at any time or from time to time, of cash and other property, real, personal or mixed, from the Company;

(ii) all of Grantors' right, title and interest, if any, to participate in the management and voting of the Company;

(iii) all of Grantors' right, title and interest in and to:

(a) all rights, privileges, authority and power of Grantors as owners and holders of the items specified in (i) and (ii) above including, but not limited to, all contract rights related thereto and all approval, consent, appointment and other rights, powers and privileges accruing or incidental to the holder of an equity interest in the Company;

(b) all options and other agreements for the purchase or acquisition of any interests in the Company;

(c) any document or certificate representing or evidencing Grantors' rights and interests in the Company;

(iv) all of Grantors' right, title and interest in and to any cash or marketable U.S. government securities pledged or deposited from time to time in the Supplemental Collateral Account pursuant to Section 10(a) of this Security Agreement; and

(v) to the extent not otherwise included, all Proceeds and products of any of the foregoing.

"**Credit Enhancement Agreement**" shall have the meaning ascribed to such term in Recital D of this Security Agreement.

"**Event of Default**" shall have the meaning ascribed to such term in Section 9 of this Security Agreement.

"**Grantor**" or "**Grantors**" shall have the meaning ascribed to such terms in the introductory paragraph of this Security Agreement.

"**Guarantor**" shall have the meaning ascribed to such term in Recital E of this Security Agreement.

"**Guaranty Agreement**" shall have the meaning ascribed to such term in Recital E of this Security Agreement.

"**Indemnitees**" shall have the meaning ascribed to such term in Section 10 of this Security Agreement.

"**Indemnity Agreement**" shall have the meaning ascribed to such term in Recital E of this Security Agreement.

"**Liabilities**" shall have the meaning ascribed to such term in Recital E of this Security Agreement.

"**Manager**" shall mean _____, the manager of the Project.

"**MICC**" shall have the meaning ascribed to such term in the introductory paragraph of this Security Agreement.

"**MICC Loan Documents**" shall mean this Security Agreement, the Reimbursement Agreement, the Guaranty Agreement, the Hazardous Substances Indemnity Agreement, and any and all other documents and instruments executed in connection therewith.

"**Note**" shall have the meaning ascribed to such term in Recital C of this Security Agreement.

"**Organizational Documents**" shall mean (i) if the Company is a corporation, the charter and by-laws of the Company, as well as any shareholders' agreement among the shareholders of the Company, (ii) if the Company is a limited liability company, the articles or certificate of organization and the operating agreement of the Company, or (iii) if the Company

is a partnership, the partnership agreement and, if applicable, any certificate, filing or registration maintained in the public records of the Company's state of formation showing the Company to have been organized, all as such documents may be amended from time to time in accordance with the terms of this Security Agreement.

"**Person**" shall mean any corporation, limited liability company, partnership, co-tenancy, joint venture, individual, trust or other legal entity.

"**Proceeds**" shall mean "proceeds," as such term is defined in the Code, whether cash or non-cash, and, in any event, shall include, but not be limited to: (i) any and all payments (in any form whatsoever) made, or due and payable, to Grantors from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental body, authority, bureau or agency (or any person acting under color of governmental authority), (ii) any and all amounts paid or payable to Grantors for or in connection with any sale or other disposition of Grantors' interests in the Company, and (iii) all dividends, distributions and any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

"**Project**" shall have the meaning ascribed to such term in Recital B of this Security Agreement.

"**Reimbursement Agreement**" shall have the meaning ascribed to such term in Recital E of this Security Agreement.

"**Reimbursement Obligations**" shall mean the amount equal to each Advance made by MICC, plus interest on each Advance at the Interest Rate, as defined and established in the Reimbursement Agreement.

"**Senior Lender**" shall have the meaning ascribed to such term in Recital B of this Security Agreement.

"**Senior Loan**" shall have the meaning ascribed to such term in Recital B of this Security Agreement.

"**Senior Loan Documents**" shall have the meaning ascribed to such term in Recital C of this Security Agreement.

"**Supplemental Collateral**" shall have the meaning ascribed to such term in Section 10 of this Security Agreement.

"**Supplemental Collateral Account**" shall have the meaning ascribed to such term in Section 10 of this Security Agreement.

"**Transferee**" shall have the meaning ascribed to such term in Section 4 of this Security Agreement.

2. Grant of Security Interest; Assignment of Collateral; Subordination of *[Member / Partner / Shareholder]* Indebtedness.

(a) As security for the prompt and complete payment and performance of the Liabilities when due, each Grantor hereby grants to MICC a security interest in all of such Grantor's right, title, and interest in the Collateral and further assigns to MICC the Collateral.

(b) Each Grantor hereby subordinates its right to receive payments of indebtedness owed by the Company to Grantors (whether arising out of a ***[****member / partner / shareholder****]*** loan, capital call loan or otherwise) to MICC's right to repayment in full of the Liabilities. In the event a Grantor receives any payment from the Company in connection with any subordinated indebtedness described in the preceding sentence, such Grantor shall be deemed to have received such payment in trust for the benefit of MICC and shall promptly forward such payment to MICC to be applied against the Liabilities. This subordination shall be effective immediately upon the execution of this Security Agreement and is not conditioned upon the occurrence of any act, condition or event that is or would be, with notice and/or the passage of time, an Event of Default. Notwithstanding the foregoing, until the occurrence of any act, condition or event that is or would be, with notice and/or the passage of time, an Event of Default, MICC hereby permits Grantors to receive any payment from the Company in connection with any subordinated indebtedness free from MICC's security interest and any rights of MICC hereunder. Upon the occurrence of any act, condition or event that is or would be, with notice and/or the passage of time, an Event of Default, Grantors' privilege to receive any payment from the Company in connection with any subordinated indebtedness shall immediately cease without the requirement of any notice from MICC and shall not be reinstated until such Event of Default is cured.

3. Representations and Warranties. Each Grantor represents and warrants that, as of the date hereof:

(a) Grantors are the sole owners of the Collateral, free and clear of any and all liens and claims whatsoever, except for the security interest granted to MICC pursuant to this Security Agreement.

(b) No security agreement, financing statement, assignment, equivalent security or lien instrument or financing statement amendment covering all or any part of the Collateral has been given or is on file or of record in any public office or at the office or in the records of Grantors, except financing statements with respect to the Collateral filed by MICC pursuant to this Security Agreement.

(c) *_____'s interest in the Company consists of _____ percent (__ %) of the total ownership interests in the Company. _____'s interest in the Company consists of _____ percent (__ %)* of the total ownership interests in the Company. As the owners of such interests, Grantors are entitled to receive One Hundred Percent (100%) of all distributions by the Company to its ***[****members / partners / shareholders****]*** of cash or other property, as and to the extent set forth in the Organizational Documents.

(d) Each Grantor has all necessary power, statutory and otherwise, to execute and deliver this Security Agreement, to perform such Grantor's obligations hereunder and to subject the Collateral owned by such Grantor to the security interest created hereby, all of which has been duly authorized by all necessary action.

(e) The Company is a ***[****limited liability company / limited partnership / general partnership / corporation****]*** duly organized and validly existing under the laws of the _____ ***of*** _____ and is qualified to own its property and transact its business in _____. No amendments or supplements have been made to the Organizational Documents of the Company since they were originally entered into (other than as provided to MICC), and the Organizational Documents remain in full force and effect. No party to the Organizational Documents is presently in violation of any provision thereof or in breach thereunder.

(f) Each Grantor has the right to transfer to MICC all or any part of the Collateral owned by such Grantor, free and clear of any lien or encumbrance.

(g) No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required (i) for Grantors' granting of a security interest in the Collateral pursuant to this Security Agreement, (ii) for the execution, delivery or performance of this Security Agreement by any Grantor, or (iii) to Grantors' knowledge for the exercise by MICC of the rights and powers provided for in this Security Agreement or the remedies in respect of the Collateral pursuant to this Security Agreement (except as may be required in connection with such disposition by laws affecting the offering and sale of securities generally).

(h) As of the date hereof, there are no certificates, instruments or other documents evidencing any of the Collateral, other than the Organizational Documents.

(i) As of the date hereof and except as disclosed to MICC in writing ***[and described in Exhibit A]***, Grantors have not made to the Company any ***[****member / partner / shareholder****]*** loan or capital call loan pursuant to the terms and provisions of the Organizational Documents, nor have Grantors been required to make any additional contributions pursuant to the Organizational Documents.

(j) _____ ***[fill in for each Grantor]*** is a ***[****limited liability company / limited or general partnership / corporation****]*** duly organized and validly existing under the laws of the state of _____ and is duly qualified to own its property and transact its business. *Grantor's organizational identification number assigned by its jurisdiction of organization is* _____ ***[****or Grantor has no organizational identification number assigned to it by its jurisdiction of organization****]****. [If Grantor is an individual, the jurisdiction of Grantor's principal residence is* _____. *If Grantor is a general partnership, the jurisdiction of Grantor's place of business, or if it has more than one place of business, its chief executive office is* _____***.]***

4. **Covenants**. Grantors covenant and agree that from and after the date of this Security Agreement and until the Liabilities are fully satisfied:

(a) Further Documentation; Delivery of Certificates; Assignment of Instruments. At any time and from time to time, upon the written request of MICC, and at the sole expense of Grantors, Grantors will promptly and duly (1) execute and deliver to MICC, or MICC's designee, (i) all certificates, endorsements, instruments or other documents evidencing any of the Collateral which may at any time come into the possession of such Grantor, (ii) a notice of MICC's security interest in the Collateral (which notice shall be satisfactory to MICC in form and substance and which shall require acknowledgment from the addressee) to any third party which either has possession of the Collateral or any certificates evidencing any of the Collateral or otherwise has the ability under applicable law or the terms of any agreement to record transfers or transfer ownership of any of the Collateral (whether at the direction of such Grantor or otherwise), and (iii) any and all such further instruments and documents, and (2) furnish to MICC such information, and (3) take such further actions as MICC may reasonably deem desirable to obtain the full benefits of this Security Agreement and of the rights and powers herein granted including, without limitation, the execution and delivery of control agreements, and, if otherwise required by MICC, Grantors shall transfer the Collateral to the possession of MICC. If any amount payable under or in connection with any of the Collateral shall be or become evidenced by any promissory note or other instrument (other than an instrument which constitutes chattel paper under the Code), such note or instrument shall be immediately assigned hereunder and a security interest therein hereby granted to MICC, and such note or other instrument shall be duly endorsed without recourse or warranty in a manner satisfactory to MICC and delivered to MICC. If, at any time, any Grantor's right or interest in any of the Collateral becomes an interest in real property, such Grantor immediately shall execute, acknowledge and deliver to MICC such further documents as MICC deems necessary or advisable to create a perfected lien in favor of MICC in such real property interest. Such lien in favor of MICC shall be subordinate only to the lien of the Senior Loan Documents. Grantors agree that this Security Agreement or a photocopy of this Security Agreement shall be sufficient as a financing statement, if permitted by applicable law.

(b) Priority of Liens. Grantors will defend the right, title and interest hereunder of MICC, as a first priority security interest in the Collateral against the claims and demands of all persons whomsoever.

(c) Further Identification of Collateral. Grantors will furnish to MICC from time to time such reports in connection with the Collateral as MICC may reasonably request.

(d) Notices. Grantors will advise MICC promptly, in reasonable detail of: (i) any lien, security interest, encumbrance or claim made or asserted against any of the Collateral, and/or (ii) any capital distribution of cash or other property made by the Company, whether in complete or partial liquidation or otherwise made after any act, condition or event that is or would be, with notice and/or the passage of time, an Event of Default, and of any other change in the composition of the Collateral, Grantor or the Company.

(e) Continuous Perfection. No Grantor will change its name in any manner which might make any financing statement or financing statement amendment filed hereunder seriously misleading within the meaning of Section 9-506 (or any other then applicable provision) of the Uniform Commercial Code as in effect in the jurisdiction in which such

financing statement or financing statement amendment is filed unless such Grantor shall have given MICC at least thirty (30) calendar days prior written notice thereof and shall have taken all action (or made arrangements to take such action substantially simultaneously with such change if it is impossible to take such action in advance) necessary or reasonably requested by MICC to amend such financing statement or financing statement amendment so that it is not seriously misleading.

(f) Legal Status. No Grantor will change its place of business (or if it has more than one place of business, its chief executive office), mailing address, organizational identification number, jurisdiction of organization, type of organization or other legal structure unless such Grantor has (i) taken such action as is necessary to cause the security interest of MICC in the Collateral to continue to be perfected, and (ii) given to MICC prior written notice of such changes. If Grantor does not have an organizational identification number and later obtains one, Grantor shall promptly notify MICC of such organizational identification number.

(g) Transfers of Interests. Without MICC's prior written consent, no Grantor shall, directly or indirectly, (i) permit the creation of any new ownership interest in any Grantor or the Company, (ii) sell, pledge, mortgage, assign, transfer or otherwise dispose of or create or suffer to be created any lien, security interest, charging order, or encumbrance on all or any part of the Project (except for the lien of the Senior Loan Documents), any ownership interests in the Company, any ownership interest in any Grantor, or any of the Collateral or the assets of any Grantor to or in favor of any Person, or (iii) permit the Company to, directly or indirectly, sell, pledge, mortgage, assign, transfer or otherwise dispose of or create or suffer to be created any lien, security interest, charging order, or encumbrance on the Project (except for the lien of the Senior Loan Documents), any ownership interests in the Company, or the assets of the Company to or in favor of any Person.

(h) Performance of Obligations. Each Grantor will perform all of such Grantor's obligations under the Organizational Documents prior to the time that any interest or penalty would attach against such Grantor or any of the Collateral as a result of such Grantor's failure to perform any of such obligations, and Grantors will do all things necessary to maintain the Company as a ***[****limited liability company / limited or general partnership / corporation****]*** under the laws of its state of formation and to maintain in full force and effect, without diminution, each Grantor's interest as a ***[****member / partner / shareholder****]*** of the Company.

(i) Stay or Extension Laws. Grantors will not at any time claim, take, insist upon or invoke the benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisement of the Collateral prior to any sale or sales thereof to be made pursuant to the provisions hereof or pursuant to the decree, judgment, or order of any court of competent jurisdiction; nor, after such sale or sales, claim or exercise any right under any statute now or hereafter made or enacted by any state to redeem the property so sold or any part thereof, and each Grantor hereby expressly waives, on behalf of such Grantor and each and every person or entity claiming by, through and under such Grantor, all benefit and advantage of any such law or laws, and covenants that such Grantor will not invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any power, right or remedy herein or hereby granted and delegated to MICC, but will authorize, allow and permit the execution of every such power, right or remedy as though no such law or laws had been made or enacted.

(j) Organizational Documents. Without the prior written consent of MICC, Grantors will not (i) permit any amendment or modification of the Organizational Documents, or (ii) admit new ***[****members / partners / shareholders****]*** or otherwise take any action to dilute the rights pledged to MICC with respect to the Collateral, or (iii) waive, release, or compromise any rights or claims Grantors may have against any other party which arise under the Organizational Documents.

(k) Records of the Company. Grantors shall cause the Company to (i) make a notation in the records of the Company indicating the security interest granted hereby, and (ii) if requested by MICC, execute and deliver to MICC the consent of the Company in which the Company agrees to comply with the MICC's instructions without Grantors' further consent.

(l) Continued Existence of the Company. Grantors shall elect to continue the existence of the Company following a transfer of the ***[****membership / partnership / shareholder****]*** interests to MICC, its designee, or to the purchaser of such ***[****membership / partnership / shareholder****]*** interests at any public or private sale held in connection with the exercise of MICC's remedies hereunder (collectively, "**Transferee**"), and do hereby permit the unconditional and unqualified admission of Transferee as a ***[****member / partner / shareholder****]*** of the Company.

(m) Insurance. Grantors shall cause the Company to maintain such property and liability insurance as required by the Senior Loan Documents and to name MICC as an additional insured under all such liability insurance policies, with such insurance being primary and non-contributory.

(n) Project Documents. Grantors shall cause the Company to deliver to MICC the following materials at such time as Company delivers such materials to Senior Lender: (i) periodic construction budget and schedule updates; (ii) draw request packages and related materials; and (iii) other documents submitted to Senior Lender relating to construction of the Project. ***[Use only if new construction is involved]***

5. Grantors' Powers.

(a) So long as no act, condition or event shall have occurred that is or would be, with notice and/or the passage of time, an Event of Default, Grantors shall be entitled to exercise for any purpose any and all (i) voting rights, and (ii) powers, arising from or relating to the Collateral; provided, however, that Grantors shall not exercise such rights or powers, or consent to any action of the Company that would be in contravention of the provisions of, or constitute an Event of Default, or in any way be inconsistent with the provisions of this Security Agreement or any of the other MICC Loan Documents.

(b) Upon the occurrence of an act, condition or event that is or would be, with notice and/or the passage of time, an Event of Default, any and all voting rights and powers included in the Collateral or otherwise described in Section 5(a) shall thereupon become vested in MICC, and MICC shall thereafter have the sole and exclusive right and authority to exercise such voting rights and powers. Each Grantor shall execute such documents and instruments

including, but not limited to, statements that such Grantor no longer has the right to act as a ***[****member / partner / shareholder****]***, or otherwise relating to such change, as MICC may request. Each Grantor agrees that the Company and any ***[****member / partner / shareholder****]*** of the Company may rely conclusively upon any notice from MICC that MICC has the right and authority to exercise all rights and powers of each Grantor as a ***[****member / partner / shareholder****]*** under the Organizational Documents. Each Grantor irrevocably waives any claim or cause of action against the Company or any ***[****member / partner / shareholder****]*** in the Company who deals directly with MICC following receipt of such notice from MICC.

6. MICC's Appointment as Designee or Attorney-in-Fact.

(a) Each Grantor hereby irrevocably constitutes, delegates and appoints MICC and each officer or agent of MICC with full power of substitution, as such Grantor's true and lawful designee and attorney-in-fact with full irrevocable power and authority in the place and stead of such Grantor and in the name of such Grantor or in such designee's or attorney-in-fact's own name, from time to time in the discretion of each such designee or attorney-in-fact, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Security Agreement. Without limiting the generality of the foregoing, and for so long as any act, condition or event shall exist that is or would be, with notice and/or the passage of time, an Event of Default, each Grantor hereby gives each such designee or attorney-in-fact the power and right to act on behalf of such Grantor, without notice to or assent by such Grantor, to do the following:

(i) to ask, demand, collect, receive and give acceptances and receipts for any and all moneys due and to become due under any Collateral and, in the name of such Grantor or such designee's or attorney-in-fact's own name or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any Collateral and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by such designee or attorney-in-fact for the purpose of collecting any and all such moneys due under any Collateral whenever payable;

(ii) to pay or discharge taxes, liens, security interests or other encumbrances levied or placed on or threatened against the Collateral, to effect any repairs or any insurance with respect to any of the Collateral and to pay all or any part of the premiums therefor and the costs thereof; and

(iii) **(A)** to direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due and to become due thereunder directly to MICC or as such designee or attorney-in-fact shall direct; **(B)** to receive payment of and receipt for any and all moneys, claims and other amounts due and to become due at any time in respect of or arising out of any Collateral; **(C)** to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral; **(D)** to defend any suit, action or proceeding brought against such Grantor with respect to any Collateral; **(E)** to settle, compromise or adjust any suit, action or proceeding described above and, in connection therewith, to give such discharges or releases as such designee or attorney-in-fact may deem

appropriate; and **(F)** generally to sell, transfer, pledge, make any agreement or exercise any options, voting or consent rights with respect to or otherwise deal with any of the Collateral as fully and completely as though such designee or attorney-in fact were the absolute owner thereof for all purposes, and to do, at the option of such designee or attorney-in-fact at such Grantor's expense, at any time, or from time to time, all acts and things which such designee or attorney-in-fact reasonably deems necessary to protect, preserve or realize upon the Collateral and the security interest of MICC therein, in order to effect the intent of this Security Agreement, all as fully and effectively as such Grantor might do.

Each Grantor hereby ratifies, to the extent permitted by law, all that said designee or attorney shall lawfully do or cause to be done by virtue hereof. This delegation and power of attorney are powers coupled with an interest and are irrevocable.

(b) The powers conferred on each designee and attorney-in-fact hereunder are solely to protect the interest in the Collateral of MICC and shall not impose any duty upon any such designee or attorney-in-fact to exercise any such powers. Each such designee or attorney-in-fact shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to such Grantor for any act or failure to act unless such action or failure to act constitutes gross negligence or willful misconduct.

(c) Each Grantor also authorizes MICC and each officer or agent of MICC upon the occurrence of any act, condition or event that is or would be, with notice and/or the passage of time, an Event of Default, to execute, in connection with the sale provided for in Section 10 of this Security Agreement, any endorsements, assignments or other instruments of conveyance or transfer with respect to any of the Collateral.

7. **Distributions**. Each Grantor hereby grants MICC full irrevocable power and authority to receive and hold, at any time and from time to time, cash and non-cash distributions by the Company on account of any of the Collateral, which may be held free and clear of the liens created hereby, and to convert any such non-cash distributions to cash, and to apply any such cash distributions, interest or proceeds of conversion in the manner specified in Section 10(e) of this Security Agreement. This assignment shall be effective immediately upon the execution of this Security Agreement and is not conditioned upon the occurrence of any act, condition or event that is or would be, with notice and/or the passage of time, an Event of Default. Notwithstanding the foregoing, until the occurrence of an act, condition or event that is or would be, with notice and/or the passage of time, an Event of Default, MICC hereby permits Grantors to receive any distribution free from MICC's security interest and any rights of MICC hereunder. Upon the occurrence of any act, condition or event that is or would be, with notice and/or the passage of time, an Event of Default, Grantors' privilege to receive any distribution shall immediately cease without the requirement of any notice from MICC and shall not be reinstated until such Event of Default is cured.

8. **Performance by MICC of Grantor's Obligations**. If Grantors fail to perform or comply with any of Grantors' obligations or agreements contained herein, MICC shall give written notice of such failure to Grantors. If such failure continues for more than ten (10) calendar days after receipt of MICC's notice, MICC may itself perform or comply, or otherwise

cause performance or compliance, with such obligation or agreement, and the expenses incurred by MICC in connection with such performance or compliance, together with interest thereon at the interest rate specified in the Reimbursement Agreement shall be payable by Grantors to MICC on demand and shall constitute Liabilities secured by this Security Agreement.

9. Default. The occurrence of any of the following shall constitute an "**Event of Default**" hereunder:

(a) A failure by any Grantor, the Company or any Guarantor to observe or perform any obligation, covenant, condition, or agreement in this Security Agreement or any other MICC Loan Document that involves the payment of money, including without limitation, the occurrence of any event identified as one of the "Guaranteed Events" in section 1.3 of the Guaranty;

(b) A failure by any Grantor, the Company or any Guarantor to observe or perform any nonmonetary obligation, covenant, condition, or agreement in this Security Agreement or any other MICC Loan Document to be performed by any Grantor, the Company or any Guarantor, including without limitation, the occurrence of any event identified as one of the "Guaranteed Events" in section 1.3 of the Guaranty;

(c) If any Grantor, the Company or any Guarantor shall make an assignment for the benefit of creditors, or if any Grantor shall generally not be paying its debts as they become due;

(d) If a custodian, receiver, liquidator or trustee of all or any portion of the assets of any Grantor, the Company or any Guarantor shall be appointed, or if any Grantor, the Company or any Guarantor shall be adjudicated bankrupt or insolvent, or if any petition for bankruptcy, reorganization or arrangement pursuant to federal bankruptcy law, or any similar federal or state law, shall be filed by or against, consented to, or acquiesced by any Grantor, the Company or any Guarantor, or if any proceeding for the dissolution or liquidation of any Grantor, the Company or any Guarantor shall be instituted; provided, however, that such appointment, adjudication, petition or proceeding, if involuntary and not consented to by such Grantor, shall constitute an Event of Default only if not discharged, stayed or dismissed within ninety (90) calendar days;

(e) Any statement, report, certificate, representation or warranty made by any Grantor ***[****or any member / partner / shareholder of a Grantor****]*** in this Security Agreement, or by Grantor, the Company or any Guarantor in any other MICC Loan Document, or in connection with the Senior Loan is not true and correct in any material respect; or

(f) The death of any individual Grantor or Guarantor.

10. Remedies; Rights Upon Default.

(a) Upon the occurrence of an Event of Default, MICC, at its option, may declare all Liabilities to be immediately due and payable, regardless of whether Senior Lender has made any demand upon MICC under the Credit Enhancement Agreement, and may require

Grantors to (i) pledge and grant to MICC a security interest in additional collateral in the form of cash or readily marketable U.S. government securities acceptable to MICC, in an amount equal to the maximum amount of Advances that MICC may be required to pay under the Credit Enhancement Agreement, as determined by MICC in its sole discretion ("**Supplemental Collateral**") and shall require that any Supplemental Collateral that is comprised of cash be placed in a segregated deposit account ("**Supplemental Collateral Account**", which shall be deemed part of the Collateral for purposes of this Security Agreement), and (ii) execute and deliver to MICC such security agreements, endorsements, control agreements and other documents necessary to perfect MICC's security interest in the Supplemental Collateral and/or the Supplemental Collateral Account.

(b) Upon the occurrence of any Event of Default, MICC or MICC's designee may, at MICC's option, elect to become a substituted ***[****member / partner / shareholder****]*** of the Company with respect to the Collateral, and Grantors shall execute or cause to be executed all documents necessary to evidence MICC so becoming substituted ***[****member / partner / shareholder****]***. If any Event of Default shall occur, MICC or MICC's designee may exercise, in addition to all other rights and remedies granted to them in this Security Agreement (including without limitation those provided in Sections 6 and 7) and in any other MICC Loan Document or instrument or agreement securing, evidencing or relating to the Liabilities, all rights and remedies of a secured party under the Code. Without limiting the generality of the foregoing, Grantors expressly agree that in any such event, MICC, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon Grantors or any other person (all and each of which demands, advertisements and/or notices are hereby expressly waived), may forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or sell or otherwise dispose of and deliver said Collateral (or contract to do so), or any part thereof, in one or more parcels at public or private sale or sales, at any exchange or broker's board or at any of MICC's offices or elsewhere at such prices as it may deem best, for cash or on credit or for future delivery, without the assumption of any credit risk. Grantors expressly acknowledge that private sales may be less favorable to a seller than public sales, but that private sales shall nevertheless be deemed commercially reasonable and otherwise permitted hereunder. Because federal and state securities laws and/or other applicable laws may impose certain restrictions on the method by which a sale of the Collateral may be effected, Grantors agree that upon the occurrence of an Event of Default, MICC may, from time to time, attempt to sell all or any part of the Collateral by means of a private placement, restricting the prospective purchasers to those who will represent and agree that they are purchasing for investment only and not for distribution. In so doing, MICC may solicit offers to buy the Collateral, or any part thereof, for cash, from a limited number of investors deemed by MICC in its sole judgment, to be financially responsible parties who might be interested in purchasing the Collateral, and, if MICC solicits such offers, then the acceptance by MICC of the highest offer obtained therefrom shall be deemed to be a commercially reasonable method of disposing of the Collateral.

MICC or MICC's designee shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of said Collateral so sold, free of any right or equity of redemption, which equity of redemption Grantors hereby release. Grantors further agree, at the request of MICC, to assemble

the Collateral and make it available to MICC at places which MICC shall reasonably select, whether at Grantors' premises or elsewhere. MICC shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale in the manner set forth in Section 10(e) of this Security Agreement. MICC must account for the surplus, if any, to Grantors only after so paying over such net proceeds and after the payment by MICC of any other amount required by any provision of law, including Section 9-615(a)(3) of the Code. To the extent permitted by applicable law, Grantors waive all claims, damages, or demands against MICC arising out of the repossession, retention or sale of the Collateral except, in each case, such claims, damages, or demands that arise solely from the gross negligence or willful misconduct of MICC. Grantors agree that MICC shall not be required to give more than ten (10) calendar days' notice (which notification shall be deemed given in accordance with Section 12 hereof) of the time and place of any public sale or of the time after which a private sale may take place and that such notice is reasonable notification of such matters.

(c) In addition to the Liabilities, Grantors will pay all costs of MICC, including reasonable attorneys' fees and expenses, incurred with respect to the collection of any of the Liabilities or the enforcement of any of MICC's rights hereunder.

(d) Grantors hereby waive presentment, demand, or protest (to the extent permitted by applicable law) of any kind in connection with this Security Agreement or any Collateral. Except for notices provided for herein, Grantors hereby waive notice (to the extent permitted by applicable law) of any kind in connection with this Security Agreement.

(e) The proceeds of any sale, disposition or other realization upon all or any part of the Collateral shall be distributed by MICC in the following order of priorities:

First, to MICC in an amount sufficient to pay in full the reasonable expenses (including reasonable attorneys' fees and expenses), liabilities and advances incurred or made by MICC in connection with the collection of the Liabilities, and in connection with the sale, disposition or other realization of the Collateral;

Second, to MICC until all Reimbursement Obligations then-outstanding and other then-ascertainable Liabilities consisting of fees, costs, charges and expenses incurred by MICC are paid in full;

Third, to the Supplemental Collateral Account until the requirement for Supplemental Collateral set forth in Section 10(a) is fully funded;

Fourth, to payment in full of all other unpaid Liabilities; and

Finally, upon the unconditional release or termination of MICC's obligations under the Credit Enhancement Agreement, to Grantors, in accordance with their pro rata interests or as a court of competent jurisdiction over Grantors may direct, or as otherwise required by law.

Each Grantor agrees to indemnify and hold harmless MICC, its directors, officers, employees, agents, and parent and subsidiary corporations (collectively, "**Indemnitees**"), and

each of them, from and against any and all liabilities, obligations, claims, damages, or expenses incurred by any of them, arising out of or by reason of such Grantor's respective acts or omissions with respect to the Collateral, this Security Agreement, the Reimbursement Agreement or other MICC Loan Documents, and to pay or reimburse Indemnitees for the reasonable fees and disbursements of counsel incurred in connection with any investigation, litigation or other proceedings (whether or not Indemnitees are a party thereto) arising out of or by reason of claims by third parties in connection with or in any way related to the Collateral, the Reimbursement Agreement or this Security Agreement. The foregoing provisions of this paragraph notwithstanding, such indemnity shall not apply to liabilities, obligations, claims, damages or expenses resulting from the gross negligence or intentional misconduct of Indemnitees, as determined by a final adjudication in a court of competent jurisdiction. Indemnitees will promptly give such Grantor written notice of the assertion of any claim which it believes is subject to the indemnity set forth in this Section 10 and will, upon the request of such Grantor, promptly furnish such Grantor with all material in its possession relating to such claim or the defense thereof to the extent that Indemnitees may do so without breach of duty to others. Any amounts properly due under this Section 10 shall be payable to Indemnitees immediately upon demand.

11. Limitation on MICC's Duty in Respect of Collateral. Except as expressly provided in the Code, and except in the case of MICC's gross negligence or willful misconduct, MICC shall have no duty as to (i) any Collateral in its possession or control or in the possession or control of any agent or nominee of MICC, or (ii) any income on the Collateral, or (iii) the preservation of rights against prior parties or any other rights pertaining thereto.

12. Notices. Notwithstanding any provision of law permitting alternate methods of communication, any notice or other communication required or permitted to be given shall be in writing and shall be delivered personally or shall be sent by registered mail, certified mail or Express Mail service, postage prepaid and return receipt requested, or by a nationally recognized overnight delivery service, addressed to the parties as set forth below. Any notice provided shall be deemed received when delivery is received or refused, as the case may be. Additionally, notices may be given by telephone facsimile or electronic e-mail transmission, provided that an original of said transmission shall be delivered to the addressee by a nationally recognized overnight delivery service on the day following such transmission. Telephone facsimiles and e-mail transmissions shall be deemed delivered on the date of such transmission.

Notices to Grantors: _____
_____
_____
Facsimile: _____
Email: _____

_____
_____
_____
Facsimile: _____
Email: _____

With a copy to: _____
_____
_____
Facsimile: _____
Email: _____

Notices to MICC: Marriott International Capital Corporation
Department 52/924.11
7750 Wisconsin Avenue
Bethesda, Maryland 20814
Attention: Treasurer
Facsimile: _____
Email: _____

With copies to: *[Franchisor entity, c/o]* Marriott International, Inc.
Department 52/923
7750 Wisconsin Avenue
Bethesda, Maryland 20814
Attention: _____
Facsimile: _____
Email: _____

_____
_____
_____
Facsimile: _____
Email: _____

Any party may change its respective address for the giving of notice to another address by giving at least ten (10) calendar days notice of such change.

13. **Severability**. Any provision of this Security Agreement which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. Any such prohibition or unenforceability shall not invalidate or render unenforceable any other provisions of this Security Agreement.

14. **No Waiver; Cumulative Remedies**.

(a) MICC shall not, by any act, delay, omission or otherwise, be deemed to have waived any of its rights or remedies hereunder. No waiver hereunder shall be valid except to the extent therein set forth. A waiver of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which MICC would otherwise have had on any future occasion. No failure to exercise nor any delay in exercising on the part of MICC any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or future exercise thereof or the exercise of any other right, power or privilege.

(b) Unless expressly waived, the rights and remedies hereunder are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law. MICC may resort to, and realize on, the Collateral simultaneously with any acts or proceedings initiated by MICC in its sole and conclusive discretion. None of the terms or provisions of this Security Agreement may be waived, altered, modified or amended except by an instrument in writing, duly executed by Grantors and MICC.

15. **Successors and Assigns**. This Security Agreement and all obligations of Grantors hereunder shall be binding upon the successors and assigns of Grantors. Notwithstanding the foregoing, Grantors shall not have the right to assign their rights or obligations hereunder or any interest herein to any third party. This Security Agreement shall, together with the rights and remedies of MICC hereunder, inure to the benefit of MICC and its successors and assigns.

16. **Governing Law**. This Security Agreement was negotiated in the State of Maryland, and accepted by MICC at its corporate offices in the State of Maryland. Any Advance that would give rise to the obligations of Grantors hereunder shall be made by MICC from its corporate offices in the State of Maryland and any payment by Company or Grantors as reimbursement for such Advance shall be made to MICC at its corporate offices in the State of Maryland. Grantors agree that the State of Maryland has a substantial relationship to the transaction evidenced hereby and further agrees that this instrument shall be construed according to and governed by the internal laws of the State of Maryland without regard to principles of conflicts of law.

17. **Termination**. This Security Agreement, and the assignments, pledges and security interests created or granted hereby, shall terminate when the Liabilities have been fully paid and satisfied, at which time MICC shall release, reassign, and deliver to Grantors all Collateral and related documents then in the custody or possession of MICC, including termination statements under the Code, all without recourse upon, or warranty whatsoever, by MICC.

18. **Injunctive Relief**. Grantors recognize that if Grantors fail to perform, observe or discharge any of Grantors' obligations hereunder, no remedy of law will provide adequate relief to MICC. Grantors agree that MICC shall be entitled to temporary and permanent injunctive relief in any such case, without the necessity of proving actual damages.

19. **Waiver of Subrogation**. Grantors shall have no right of subrogation as to any of the Collateral until full and complete performance and payment of the Liabilities.

20. **Waiver of Jury Trial. GRANTORS AND MICC, BY ACCEPTANCE OF THIS SECURITY AGREEMENT, HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THIS SECURITY AGREEMENT AND THE BUSINESS RELATIONSHIP THAT IS BEING ESTABLISHED. THIS WAIVER IS KNOWINGLY, INTENTIONALLY AND VOLUNTARILY MADE BY GRANTORS AND MICC, AND GRANTORS ACKNOWLEDGE THAT NEITHER MICC NOR ANY**

PERSON ACTING ON BEHALF OF MICC HAS TAKEN ANY ACTIONS WHICH IN ANY WAY MODIFY OR NULLIFY THE EFFECT OF THIS WAIVER. GRANTORS AND MICC ACKNOWLEDGE THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH OF THEM HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS SECURITY AGREEMENT AND THAT EACH OF THEM WILL CONTINUE TO RELY UPON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. GRANTORS AND MICC FURTHER ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED (OR HAVE HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE SIGNING OF THIS SECURITY AGREEMENT AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL OF THEIR CHOOSING.

21. Venue. GRANTORS AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING DIRECTLY, INDIRECTLY OR OTHERWISE IN CONNECTION WITH OR RELATED TO THIS SECURITY AGREEMENT SHALL BE LITIGATED ONLY IN COURTS HAVING A SITUS WITHIN THE STATE OF MARYLAND. GRANTORS HEREBY CONSENT AND SUBMIT TO THE JURISDICTION OF ANY LOCAL, STATE OR FEDERAL COURT HAVING JURISDICTION IN THE STATE OF MARYLAND.

22. Joint and Several Obligations. The liabilities and obligations of the Grantors under this Security Agreement shall be joint and several. Each Grantor hereby agrees that this Security Agreement may be enforced by MICC against any Grantor without first resorting to or exhausting any other security or Collateral and without first having, or concurrently seeking, recourse to any other Grantor or any of the Collateral secured by this Security Agreement through foreclosure proceedings, trustee's sale or otherwise.

23. Counterparts. This Assignment of Equity Interests and Security Agreement may be executed in one or more counterparts, each of which alone and all of which together shall be deemed an original.

24. Agreement by Company. By the signature below of its authorized representative, the Company acknowledges the provisions of this Security Agreement and, notwithstanding any contrary provisions set forth in the Organizational Documents, hereby agrees to cause any proceeds that may be available for distribution to any Grantor under the Organizational Documents to be distributed as follows: Following an (i) Advance by MICC (and until such Advance shall have been fully repaid by Grantors) and/or (ii) Event of Default (and for so long as such Event of Default shall remain uncured and is not waived), upon MICC's request, the Company shall either pay directly to MICC or shall execute and deliver a letter of direction to the Manager in the form of the letter attached as ***[Exhibit]*** hereto. Any payment made to MICC by either the Company or the Manager shall constitute distributions from the Company to Grantors.

IN WITNESS WHEREOF, Grantors have executed this Security Agreement as of the date first above written.

GRANTORS:

_____

By: _____[SEAL]

Name: _____

Title: _____

STATE OF _____)
) ss:
COUNTY OF _____)

On the _____ day of _____, before me personally appeared _____, who being by me duly sworn, did depose and say that he executed the foregoing Security Agreement in his capacity as _____ of _____, a _____, as its true act and deed.

_____
Notary Public
Commission expires:_____

Acknowledged and Agreed to:

COMPANY:

_____
a _____,
by its duly authorized officers

By: _____

Name: _____

Title: _____

EXHIBIT ___

FORM LETTER OF DIRECTION

[date]

[Management Company]
_____
_____
Attn: _____

Re: ***[****property brand and location****]***

Dear Ladies/Gentlemen:

This letter of instruction relates to the Management Agreement dated _____, as amended ("**Management Agreement**"), by and between _____ ("**Manager**") and _____ ("**Company**").

Prior to remitting to Company or any of its ***[****members / partners/ shareholders****]*** any remittance amount under the Management Agreement, you are hereby directed to pay to Marriott International Capital Corporation ("**MICC**") any funds to be otherwise remitted to Company and/or its ***[****members / partners/ shareholders****]*** under the Management Agreement. All payments are to be made to Marriott International Capital Corporation, at 7750 Wisconsin Avenue, Department 52/924.11, Bethesda, Maryland 20814, Attention: Treasury Department, Reference: ***[****property brand and location****]***.

Company knowingly and voluntarily gives the foregoing irrevocable directions to Manager for the benefit of MICC. These directions may not be rescinded, amended or modified without the prior written consent of MICC. Company agrees that these directions do not modify, diminish or affect any of its or any ***[****member's / partner's/ shareholder's****]*** liabilities to MICC.

Please do not hesitate to contact me should you have any questions about the instructions contained in this letter.

Very truly yours,

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT ("**Guaranty**") is made as of _____, 20__, by _____, a _____ ("**Guarantor**") in favor of **MARRIOTT INTERNATIONAL CAPITAL CORPORATION**, a Delaware corporation ("**MICC**").

RECITALS

A. _____ ("**Borrower**") is the owner of certain real property containing approximately _____ acres situated in _____ ("**Property**").

B. _____ (***["Member / Partner"]***) is the owner of the *[member / partner]* interests in Borrower.

C. As of the date hereof, Borrower is entering into a mortgage loan with _____ Bank, a _____ banking corporation ("**Lender**"), pursuant to which Lender is lending up to _____Dollars ($_____.00) to Borrower ("**Loan**") in connection with the construction and mini-permanent financing of a _____ hotel on the Property ("**Project**").

D. The Loan is evidenced by a certain promissory note from Borrower to Lender ("**Note**") and is secured by a *[Deed of Trust / Mortgage]* given by Borrower for the benefit of Lender ("**Mortgage**"). The Note, the Mortgage and the other documents executed by Borrower to evidence or secure the Loan are hereinafter collectively referred to as the "**Senior Loan Documents**."

E. MICC has agreed to provide credit enhancement of a portion of the Loan up to a maximum amount of _____ Dollars ($_____.00) pursuant to and in accordance with that certain Credit Enhancement Agreement by and between MICC and Lender ("**Credit Enhancement Agreement**").

F. As a condition to MICC's entering into the Credit Enhancement Agreement, MICC is requiring that Guarantor execute and deliver to MICC this Guaranty, and that Borrower and *[Member / Partner]* execute and deliver to MICC that certain Reimbursement Agreement of even date herewith ("**Reimbursement Agreement**") and certain other documents evidencing and securing Borrower's, *[Member's / Partner's]* and Guarantor's obligations to MICC (together with the Reimbursement Agreement, collectively, "**MICC Documents**").

In consideration of the foregoing, the covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Guarantor hereby acknowledges and agrees as follows:

1. Guaranteed Events.

1.1 Guarantor hereby absolutely and unconditionally indemnifies, defends, holds harmless, and guarantees to MICC the full, prompt and unconditional payment of any "Losses" (as defined in Section 1.2 below) arising out of the "Guaranteed Events" (as defined in Section 1.3 below). This Guaranty is a primary obligation of Guarantor and shall be a continuing inexhaustible Guaranty. MICC may, to the extent herein provided, require Guarantor to fulfill its obligations under this Guaranty and may proceed immediately against Guarantor without being required to bring any proceeding or take any action against Borrower, *[Member / Partner]*, any other guarantor or any other person, entity or collateral belonging to any of the foregoing prior thereto. The liability of Guarantor hereunder is independent of and separate from the liability of Borrower, *[Member / Partner]*, any other guarantor or person. All sums due and payable hereunder by Guarantor shall be payable within ten (10) calendar days after demand. MICC shall have full recourse to all of the assets of Guarantor in connection with Guarantor's obligations hereunder. It is the intention of Guarantor that this Guaranty shall not be deemed discharged until such time as the Guarantor's obligations hereunder have been paid in full and/or performed, as appropriate.

1.2 The term "**Losses**" shall mean all claims, suits, liabilities, actions, proceedings, obligations, debts, damages (including, without limitation, punitive damages and/or consequential damages), losses, costs, expenses, fines, penalties, charges, interest, fees, judgments, awards, amounts paid in settlement, costs of defense and reasonable attorneys' fees incurred by MICC in connection with the Guaranteed Events.

1.3 The term "**Guaranteed Events**" shall mean:

(a) The willful misconduct of Borrower, *[Member / Partner],* Guarantor, or their respective agents, managers, officers or employees with respect to the operation of the Project;

(b) The physical waste of the Property or the Project by Borrower, *[Member / Partner],*

Guarantor, or their respective agents, managers, officers or employees;

(c) The removal or disposal of any property by Borrower, *[Member / Partner],* or any agent or employee of Borrower, or *[Member / Partner],* other than personal property which is, in the ordinary course, replaced by comparable personal property having an equal or greater value;

(d) Borrower's or *[Member's / Partner's]* failure to pay taxes, assessments, charges for labor or materials or other charges that result in liens on any portion of the Property or the Project, except to the extent that escrows or impounds for such taxes or other charges are being and have been properly deposited with and paid to Lender or MICC;

(e) Borrower's or *[Member's / Partner's]* failure to maintain insurance required under the Mortgage and under *[that / those]* certain *[Assignment of Equity Interests and Security Agreement]* given by *[Members / Partners]* to MICC ("**Equity Pledge**") in respect of the Project; provided, however, that Guarantor shall have no liability hereunder for

any failure to maintain such insurance from and after such date, if any, that Lender forecloses on the Mortgage or MICC forecloses on the Pledge Agreement, or either Lender or MICC accepts a deed or assignment in lieu of foreclosure;

(f) Borrower's or *[Member's / Partner's]* failure to promptly remediate any environmental contamination or correct any violation of any federal, state or local laws applicable to environmental conditions or governing hazardous substances or infectious wastes, as such laws may be amended from time to time;

(g) Fraud, or intentional or grossly negligent misrepresentation by Borrower, *[Member / Partner]* or Guarantor in connection with the Loan Documents or the MICC Documents;

(h) Distributions to *[Member / Partner]* following a default or breach (as to which Borrower and/or *[Member / Partner]* has received notice) under either the Loan Documents or the MICC Documents;

(i) The misappropriation or conversion by Borrower or *[Member / Partner]* of any: (i) insurance proceeds paid by reason of any loss, damage or destruction to the Property or the Project, (ii) awards or other amounts received in connection with the condemnation of all or a portion of the Property or the Project, or (iii) rents, issues, profits, proceeds, deposits, accounts, or other amounts;

(j) Borrower's failure to obtain MICC's written consent prior to any sale or transfer of the Property or the Project, or any sale or transfer of any *[Member / Partner]* interest in Borrower, except as expressly permitted by the Equity Pledge;

(k) Borrower's failure to obtain MICC's written consent prior to (i) encumbering the Property or the Project with additional debt, or (ii) creating, incurring, assuming, or permitting to exist any lien upon or with respect to the Property, the Project or the *[member / partner]* interests in Borrower, except as expressly permitted by the Equity Pledge;

(l) Borrower's assignment for the benefit of creditors, or the appointment of a receiver for Borrower, any *[Member / Partner]*, or for the Project, or any part thereof, or if Borrower or any *[Member / Partner]* is the subject of any bankruptcy, reorganization, or insolvency proceeding; and

(m) The termination of the Franchise Agreement between Borrower and Marriott International, Inc.

2. <u>Subordination</u>.

2.1 Any indebtedness or obligations of Borrower and *[any Member / Partner]* to Guarantor now or hereafter existing (including, but not limited to, any rights of subrogation Guarantor may have as a result of any payment by Guarantor under this Guaranty), together with any interest thereon, shall be, and such indebtedness hereby is, subordinated to the prior payment in full of the indebtedness of Borrower and *[Member / Partner]* to MICC under the MICC

Documents. Guarantor agrees that, following any default or event of default under either the Loan Documents or the MICC Documents, Guarantor will not accept any payment or satisfaction of any kind of any indebtedness of Borrower or *[any Member / Partner]* to Guarantor, and Guarantor hereby assigns to MICC all right, title and interest in such indebtedness, including the right to file proof of claim and to vote thereon in connection with any bankruptcy, insolvency or reorganization proceeding, and including the right to vote on any plan of arrangement or reorganization. Further, Guarantor agrees that following any default or event of default under the Loan Documents or the MICC Documents, if Guarantor should receive any payment, satisfaction or security for any indebtedness of Borrower or *[any Member / Partner]* to Guarantor, the same shall be delivered to MICC in the form received, endorsed or assigned as may be appropriate for application on account of or as security for the indebtedness of Borrower and *[Member / Partner]* to MICC and, until so delivered, shall be held in trust for MICC as security for the indebtedness of Borrower and *[Member / Partner]* to MICC.

2.2 Any lien or charge on the Property, the Project and/or the *[member / partner]* interests in Borrower, or the revenue and income to be realized from any of the foregoing, and all rights in and to the Property, the Project and/or the *[member / partner]* interests in Borrower, which Guarantor may have or obtain as security for any loans, advances or costs in connection with the Project shall be, and such lien or charge hereby is, subordinated to the indebtedness of Borrower and *[Member / Partner]* to MICC under the MICC Documents.

3. <u>Continuing and Absolute Obligation</u>.

3.1 It is expressly understood and agreed that this is a continuing guaranty and that the obligations of Guarantor hereunder are and shall be absolute under any and all circumstances, without regard to the validity, regularity or enforceability of the MICC Documents. Guarantor hereby acknowledges having received and reviewed true copies of the MICC Documents.

3.2 Guarantor agrees that the validity of this Guaranty and the obligations of Guarantor hereunder shall in no way be terminated, affected or impaired by reason of the assertion by MICC of any rights or remedies which it may have under or with respect to the MICC Documents, or against any person obligated thereunder, or by reason of MICC's failure to exercise, or delay in exercising, any such right or remedy MICC may have hereunder or in respect to this Guaranty, or by reason of the adjudication in bankruptcy of any person obligated under the MICC Documents, or the filing of a petition for any relief under any federal or state bankruptcy or insolvency law by any such person, or the dissolution of Guarantor.

3.3 Guarantor covenants that this Guaranty shall remain and continue in full force and effect as to any assignment, sale, modification, extension or renewal of the MICC Documents, or the release or exchange of any collateral for the MICC Documents, and that other indulgences or forbearance may be granted under the MICC Documents, all of which may be made, done or suffered without notice to, or further consent of, Guarantor.

3.4 Guarantor further agrees that the provisions of this Guaranty shall not:

(a) Constitute a waiver, release or impairment of any obligation evidenced by the MICC Documents, or constitute a waiver by MICC of any rights to damages; and

(b) Impair the right of MICC to name Borrower and/or *[any Member / Partner]* as a party defendant in any action or suit or otherwise impair the right of MICC to enforce its remedies under the MICC Documents including, but not limited to, the right to obtain the appointment of a receiver.

3.5 Guarantor agrees that, if at any time any payment, or portion thereof, made on account of any of the obligations and liabilities hereunder is set aside as a voidable preference or fraudulent conveyance or must otherwise be restored or returned by MICC under any insolvency, bankruptcy or other federal and/or state laws, this Guaranty shall continue and remain in full force and effect or be reinstated, as the case may be, all as though such payment or payments had not been made.

4. **Waiver of Exemptions**. To the full extent that Guarantor may do so, Guarantor hereby waives the benefit of homestead and all other exemptions to which Guarantor may be entitled, and Guarantor waives notice of the acceptance hereof, presentment, demand for payment, protest, notice of protest or any and all notices of non-payment, non-performance, or non-observance, or other proof, or notice of demand.

5. **MICC Assignment**. MICC may sell, assign or transfer all or any portion of the indebtedness, obligations and liabilities of Borrower and *[Member / Partner]*, and, in such event, each and every successive assignee, transferee or holder of all or any part of said indebtedness, obligations or liabilities shall have the right to enforce this Guaranty as fully as if such assignee, transferee or holder were named herein.

6. **Not Subject to Enforcement of Other Remedies**. This Guaranty may be enforced by MICC against the Guarantor without first resorting to or exhausting any other security or collateral; provided, however, that nothing herein shall prevent MICC from bringing legal action under any of the MICC Documents or from exercising any of its rights thereunder.

7. **Enforcement; Attorneys' Fees**. Guarantor shall pay on demand all reasonable costs, fees, and expenses of MICC arising from the enforcement or the exercise of any remedy or other action taken by MICC under this Guaranty, in each case including the reasonable fees and disbursements of MICC's legal counsel and other reasonable out-of-pocket expenses, together with interest on all such amounts until paid at the Interest Rate set forth in the Reimbursement Agreement.

8. **Joint and Several Obligations**. The liability of Guarantor hereunder is joint and several, and independent of and separate from the liability of Borrower and *[Member / Partner]*, any other guarantor or person, and the availability of other collateral security for the MICC Documents.

9. **Binding Effect**. This Guaranty shall be binding upon the Guarantor and each of its successors, heirs, personal representatives and assigns, and shall inure to the benefit of and be enforced by MICC and its successors and assigns.

10. **Right of Set-Off**. In addition to all liens upon and rights of set-off against the money, securities or other property of Guarantor given to MICC by law, MICC shall have a lien upon and a right of set-off against all money, securities and other property of Guarantor now or hereafter in the possession of or on deposit with MICC, whether held in a general or special account or deposit, or for safe-keeping or otherwise, and every such lien and right of set-off may be exercised without demand upon, or notice to, Guarantor. No lien or right of set-off shall be deemed to have been waived by any act or conduct on the part of MICC, or by any neglect to exercise such right of set-off or to enforce such lien, or by any delay in so doing, and every right of set-off and lien shall continue in full force and effect until such right of set-off or lien is specifically waived or released by an instrument in writing executed by MICC.

11. **Governing Law**. This Guaranty was negotiated in the State of Maryland, and accepted by MICC at its corporate offices in the State of Maryland. Guarantor agrees that the State of Maryland has substantial relationship to the transaction described herein and further agrees that this Guaranty shall be construed according to and governed by the internal laws of the State of Maryland without regard to principles of conflicts of law. Guarantor hereby irrevocably submits to the nonexclusive jurisdiction of any State or Federal court sitting in Maryland over any suit, action or proceeding arising out of, or relating to, this Guaranty.

12. **Amendments**. This Guaranty cannot be modified, amended or terminated without a writing signed by both Guarantor and MICC.

13. **Trial by Jury Waiver**. **GUARANTOR AND MICC HEREBY WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INSTITUTED BY OR AGAINST GUARANTOR OR MICC PERTAINING DIRECTLY OR INDIRECTLY TO THIS GUARANTY**.

14. **Severability**. If any provision in this Guaranty shall be illegal or unenforceable, such provision shall be deemed to be replaced by the valid and enforceable provision that is substantively most similar to such invalid or unenforceable provision, but the remaining provisions shall not be affected thereby.

15. **Confession of Judgment**. Guarantor hereby irrevocably constitutes, appoints and authorizes the clerk of any court or any attorney to appear for Guarantor in any state or federal court having jurisdiction in the State of Maryland, to waive the issuance and service of process, and to confess judgment against Guarantor in favor of MICC in the full amount owing hereunder, plus court costs and an attorney's fee equal to fifteen percent (15%) of the outstanding amount owed under this Guaranty. Guarantor waives the benefit of any and every statute, ordinance or rule of court which may be lawfully waived which confers upon Guarantor any right of appeal, vacating or granting relief from enforcement of a confessed judgment. Guarantor waives any and all defenses in connection therewith including, but not limited to, any defense or claim that MICC acted improperly, negligently or unreasonably in connection with the enforcement of this Guaranty. No single exercise of the foregoing power to confess the

judgment shall be deemed to exhaust the power, whether or not any such exercise shall be held by a court to be valid, voidable or void, but the power shall continue undiminished and it may be exercised from time to time as often as MICC shall elect, for so long as this Guaranty shall remain in effect.

16. **Loss of Guaranty**. Upon notice from MICC of the loss, theft, or destruction of this Guaranty, and upon receipt of an indemnity reasonably satisfactory to Guarantor from MICC; or in the case of mutilation of the Guaranty, upon surrender of the mutilated Guaranty Guarantor shall make and deliver to MICC a new guaranty of like tenor in lieu of the then - superseded Guaranty.

17. **Represented by Counsel**. Guarantor acknowledges that it was represented by counsel in connection with the execution of this Guaranty and knowingly agreed to the terms of this Guaranty.

18. **Captions**. All captions, headings, paragraphs and subparagraph numbers and designations are solely for the purpose of facilitating reference to this Guaranty and shall not supplement, limit or otherwise vary in any respect the text of this Guaranty. As used herein, the singular shall refer to the plural and the plural shall refer to the singular.

19. **Counterparts**. This Guaranty Agreement may be executed in one or more counterparts, each of which alone and all of which together shall be deemed an original.

20. **Financial Statements**. Not later than one hundred and twenty (120) calendar days after the close of each fiscal year, Guarantor shall furnish to MICC annual financial statements and a balance sheet for the preceding fiscal year, in such detail as MICC may reasonably require.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the Guarantor has duly executed this Guaranty Agreement under seal as of the date first above written.

GUARANTOR:

By: _____ [SEAL]

Name: _____

Title: _____

_____)
) ss:
_____)

I HEREBY CERTIFY that on _____ ___, 20__, before me, a Notary Public for the aforesaid jurisdiction, personally appeared _____, who *[acknowledged himself / herself to be the _____ of _____, a _____, and that he / she, as such officer of _____, being authorized so to do,]* executed the foregoing instrument for the purposes therein contained *[by signing the name of the aforesaid by himself / herself as such officer]*.

WITNESS my hand and Notarial Seal.

_____
Notary Public

My Commission Expires: _____

Signature Page for Guaranty Agreement

STATE EFFECTIVE DATES & FDD RECEIPT

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

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	March 31, 2026
Hawaii	Pending
Illinois	March 31, 2026
Indiana	March 31, 2026
Maryland	Pending
Michigan	March 31, 2026
Minnesota	Pending
New York	March 31, 2026
North Dakota	Pending
Rhode Island	Pending
South Dakota	March 31, 2026
Virginia	Pending
Washington	Pending
Wisconsin	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

☐ **Apartments by Marriott Bonvoy**	☐ **JW Marriott / Marriott Hotels**	☐ **Sheraton Hotels**
☐ **Autograph Collection**	☐ **Le Méridien**	☐ **The Luxury Collection**
☐ **Delta Hotels by Marriott**	☐ **Renaissance Hotels**	☐ **Tribute Portfolio**
		☐ **Westin Hotels**

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

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Marriott authorizes the respective state agencies identified on Exhibit F to receive service of process for it in the particular state.

If Marriott 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, D.C. 20580, and the applicable state agency identified on Exhibit G.

Issuance Date: March 31, 2026 (effective dates in the franchise registration states are as noted immediately before this receipt)

Attached as Attachment A to this receipt is a list containing the name, principal business address and telephone number of each franchise seller (as defined on Attachment A) who may be involved in this transaction. We have placed a mark next to the names of those persons whom we believe, as of the date hereof, will be a franchise seller in this transaction. Please place a mark next to the names of any additional persons listed on Attachment A (or add the names of any others not listed) who have also been franchise sellers in this transaction.

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A. Term Sheet	F. Agents for Service of Process	J. Manuals, Standards, and Resources
B. Application	G. State Regulatory Authorities	K. Service Agreements
C. Franchise Agreement and Related Agreements	H. Lodging Laws and Regulations	L. Open Outlets/Unopened Outlets
D. State Amendments to Disclosure Document	I. Audited Financial Statements of MIF, L.L.C. for the Three Fiscal Years in the Period Ended December 31, 2025	M. Former Franchisees
E. State Amendments to Franchise Agreement		N. Comfort Letter
		O. Pre-Opening Agreement
		P. Sample Financing Agreements

	Printed Name	Title	Signature	Date
(1)	_____	_____	_____	_____
(2)	_____	_____	_____	_____

Company or Partnership Name: _____

Location of Property: _____

Copy 1 - Return this copy of the Receipt to

MARRIOTT INTERNATIONAL, INC.
Lodging Development (Dept. 30/921.09)
7750 Wisconsin Avenue
Bethesda, MD 20814

ATTACHMENT A

Marriott Lodging Development Full-Service Brands

Please note: "Franchise seller" means a person that offers for sale, sells, or arranges for the sale of a franchise. It includes the franchisor and the franchisor's employees, representatives, agents, subfranchisors, and third-party brokers who are involved in franchise sales activities. It does not include existing franchisees who sell only their own outlet and who are otherwise not engaged in franchise sales on behalf of the franchisor.

DEVELOPMENT

c/o NALO Lodging Development
7750 Wisconsin Avenue
Bethesda, MD 20814
(301) 380-3000

- ☐ Noah Silverman
  Global Development Officer - U.S. & Canada
  (301) 380-5253

EAST REGION

- ☐ Lisa Sexton
  SVP, U.S. Full-Service Development; Canada
  (301) 380-8548
- ☐ Kyle Gagne
  VP, Full-Service Development
  (301) 380-3051
- ☐ Robert Boulle
  VP, Full-Service Development
  (301) 380-4198
- ☐ Keith Biumi
  VP, Full-Service Development
  (770) 403-3464
- ☐ Pete Metzger
  Director, Full-Service Development
  (301) 380-8514

WEST REGION

- ☐ Paul Loehr
  SVP, U.S. Full-Service Development
  (602) 362-0469
- ☐ Anne Bertsch
  VP, Full-Service Development
  (240) 463-0782
- ☐ Soo Yeon Noh
  VP, Full-Service Development
  (301) 642-9891
- ☐ Willis Cheng
  VP, Full-Service Development
  (310) 919-8187
- ☐ Majid Daudi
  Director, Full-Service Development
  (301) 380-8368

OTHER TEAMS

7750 Wisconsin Avenue
Bethesda, MD 20814
(301) 380-3000

- ☐ Satya Anand
  Group President, U.S. & Canada
  +442039988764
- ☐ Tina Edmundson
  President, Luxury
  (301) 380-8283
- ☐ Tushaar Agarwal
  Chief Franchise Officer
  (646) 729-8715
- ☐ Michele Pajot
  SVP, Full-Service Franchising
  (301) 380-3413
- ☐ Shelly Faraj
  Area VP, Franchise Operations
  (301) 380-2272
- ☐ Dana Jacobsohn
  Chief Development Officer, U.S. Managed Luxury Brands and Global Mixed-Use
  (301) 380-2418
- ☐ Sarah Khalifa
  VP, Luxury Brands and Global Mixed-Use Development
  (301) 380-4316
- ☐ Jenna Jacobson
  VP, Luxury Brands and Global Mixed-Use
  (301) 380-8996
- ☐ Jake Pinsof
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  (301) 380-9362
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- ☐ Tara R. Cowan
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- ☐ James McKinney
  SVP, Asset Management, U.S. & Canada
  (301) 380-8589
- ☐ Richard Lind
  VP, Franchise Transactions
  (301) 380-8930
- ☐ Naomi Paulraj
  Sr. Manager, Franchise Transactions
  (301) 380-8256
- ☐ Kathi Perry
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  (301) 380-7710
- ☐ Luana Arce
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  (301) 380-6766
- ☐ Juan Macias
  Manager, Franchise Transactions
  (949) 522-6314
- ☐ Tyler Clough
  Manager, Franchise Transactions
  (301) 380-8342
- ☐ Landon Lamb
  Manager, Franchise Transactions
  (301) 380-9441

ADDITIONAL CONTACTS

- ☐ Name: _____
  Address: _____
  _____
  Phone: _____
- ☐ Name: _____
  Address: _____
  _____
  Phone: _____

RECEIPT

☐ **Apartments by Marriott Bonvoy**	☐ **JW Marriott / Marriott Hotels**	☐ **Sheraton Hotels**
☐ **Autograph Collection**	☐ **Le Méridien**	☐ **The Luxury Collection**
☐ **Delta Hotels by Marriott**	☐ **Renaissance Hotels**	☐ **Tribute Portfolio**
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