FRANCHISE DISCLOSURE DOCUMENT

HOLIDAY HOSPITALITY FRANCHISING, LLC
a Delaware limited liability company
Three Ravinia Drive, Suite 100
Atlanta, Georgia 30346
(770) 604-2000

https://development.ihg.com

The licensee will establish and operate a hotel under the voco brand.

The total investment necessary to begin operation of a typical 150-room voco hotel, excluding land costs and other matters, ranges from $5,807,501 to $44,464,452 (or $38,717 to $296,430 per guest room) including between $214,000 and $264,500 or more that must be paid to Holiday or an affiliate (see Item 5).

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, Holiday or an affiliate in connection with the proposed license 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 Patricia Womack, Franchise Sales, Holiday Hospitality Franchising, LLC, at Three Ravinia Drive, Suite 100, Atlanta, Georgia 30346 and (770) 604-2912.

The terms of your contract will govern your license 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: April 15, 2025

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 Exhibit E.
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 Exhibits F-1 and F-2 include 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 voco hotel 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 voco franchisee?	Item 20 or Exhibit E lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

Supplier 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 franchised 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 the franchisor 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 D.

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:

Out-of-State Dispute Resolution. The franchise agreement requires you to resolve disputes with the franchisor by litigation. You are not required to sue the franchisor only in the state of Georgia, but the franchisor can sue you in the state of Georgia. Out-of-state litigation may force you to accept a less favorable settlement for disputes. It may also cost more to litigate with the franchisor in the state, county and judicial district in which the franchisor's principal place of business is then located than in your own state.

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

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT PURSUANT TO THE MICHIGAN FRANCHISE INVESTMENT LAW

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

(a) A prohibition on the right of a licensee to join an association of licensees.

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

(c) A provision that permits Holiday to terminate a license before the expiration of its term except for good cause. Good cause shall include the failure of the licensee to comply with any lawful provision of the License Agreement and to cure such failure after being given written notice thereof and a reasonably opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits Holiday to refuse to renew a license without fairly compensating the licensee by repurchase or other means for the fair market value at the time of expiration of the licensee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to Holiday and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the licensed business are not subject to compensation. This subsection applies only if (i) the term of the license is less than 5 years and (ii) the licensee is prohibited by the license or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising of other commercial symbol in the same area subsequent to the expiration of the license or the licensee does not receive at least 6 months advance notice of Holiday's intent not to renew the license.

(e) A provision that permits Holiday to refuse to renew a license on terms generally available to other licensees 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 licensee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

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

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

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

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

(iv) The failure of the licensee or proposed transferee to pay any sums owing to Holiday or to cure any default in the License Agreement existing at the time of the proposed transfer.

(h) A provision that requires the licensee to resell to Holiday items that are not uniquely identified with Holiday. This subdivision does not prohibit a provision that grants to Holiday a right of first refusal to purchase the assets of a license 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 Holiday the right to acquire the assets of a license for the market or appraised value of such assets if the licensee has breached the lawful provisions of the License Agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

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

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO THE OFFICE OF THE ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, ATTN.: FRANCHISE, 525 W. OTTAWA ST., LANSING, MICHIGAN 48909 (517) 335-7622.

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ITEM 1

THE LICENSOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

This disclosure document refers to the licensor, Holiday Hospitality Franchising, LLC, as "Holiday" and to the licensee as "you." If you are a corporation, partnership or other entity, the word "you" may also include owners or partners of the licensee. Capitalized words not defined in this disclosure document shall have the meaning set forth in the license agreement.

Holiday is a Delaware limited liability company which was formed on November 3, 1989 (originally under the name "Holiday Inns Franchising, Inc", which was subsequently changed to "Holiday Hospitality Franchising, Inc." and then converted from a corporation to a limited liability company). Except as set forth in this disclosure document, Holiday does business only under its limited liability company name. Holiday's principal business address is Three Ravinia Drive, Suite 100, Atlanta, Georgia 30346, and its telephone number is (770) 604-2000.

Holiday has offered licenses for voco hotels since March 2020 (though its predecessors operated hotel businesses and offered licenses for hotel businesses starting in approximately 1953). Holiday offers licenses for various hotel brands in the United States and Canada, including:

Brand	**Licenses offered for this brand since**	**Number of licensed hotels in the US as of December 31, 2024**	**Including this number of managed hotels in the US as of December 31, 2024 (Note 1)**	**Company-Owned hotels (Note 3)**
1. Atwell Suites	2019	6	0	0
2. avid hotels	2017	71	0	0
3. Candlewood Suites	2003	384	0	0
4. Crowne Plaza	1990	83	2	0
5. EVEN Hotels	2014	22	5	0
6. Garner Hotels	2023	10	0	0
7. Holiday Inn, Holiday Inn Express, and Holiday Inn Resort	1990	2,857	6	1
8. Hotel Indigo	2004	70	5	0
9. InterContinental Hotels & Resorts	2003	22	16	1
10. Kimpton Hotels (Note 2)	2018	54	38	0
11. Staybridge Suites	1997	286	1	0
12. Vignette Collection hotels	2021	2	0	0
13. voco hotels	2020	15	0	0

Note 1 – Does not include US Army facilities managed for DOD.

Note 2 – Licenses for *Kimpton Hotels* are offered by Holiday's affiliate, IHG Franchising, LLC.

Note 3 – As of December 31, 2024, Holiday's affiliates operate (own, lease, or manage) 73 *Holiday Inn* brand group, *Holiday Inn Resort*, *Holiday Inn Express* brand group, *Crowne Plaza*, *InterContinental Hotels & Resorts, Staybridge Suites, EVEN Hotels, Kimpton,* and *Hotel Indigo* brand hotels in the United States and Canada. Additionally, as of December 31, 2024, Holiday's affiliates operate 72 US Army lodging facilities across the United States, which some of these facilities are branded as *Holiday Inn Express, Staybridge Suites,* or *Candlewood Suites* hotels.

Note 4 - This disclosure document pertains only to "voco" branded hotels. Information about other Holiday offerings, including the brands noted in the chart above, can be found in Holiday's other franchise disclosure documents.

Holiday's agents for service of process in certain states are shown on Exhibit C.

HOLIDAY'S BUSINESS:

Holiday offers and grants licenses under the terms of a license agreement (the "License"). The License described in this disclosure document provides for the establishment and operation of a voco hotel (a "Hotel").

The Hotel you operate will be part of a distinctive system that is appropriate for your Hotel brand (the "Brand System"). The Brand System is designed to provide high quality hotel service to the public under a distinctive business format, and includes, among other things, the intellectual property (such as service marks, trademarks, copyrights, domain names, and other intellectual property) that Holiday designates; standards, specifications and policies for construction, furnishings, operation, appearance, and service of the Hotel; standards and specifications for interior and exterior design and décor, and other requirements (the "Standards"); access through Holiday to the technology systems, loyalty programs, sales and catering system and other related systems; access through Holiday to multiple call centers and central reservations offices around the world handling reservations; access through Holiday to brand marketing services and distribution marketing services including global advertising and publicity and other marketing programs and materials; training programs and materials; a guest loyalty program; and other elements. Holiday has the right to add to, modify, and delete elements of the Brand System.

The License you sign will specify the type of arrangement applicable to your situation, whether it involves new development, conversion, change of ownership, re-licensing, or adaptive reuse.

- New Development means the construction of a new building to operate a Hotel in the Brand System.
- Conversion means renovating an existing building to meet our Standards, allowing it to function as a Hotel in the Brand System.
- Change of Ownership means the transfer of ownership or control of the Hotel to a new owner.
- Re-Licensing means granting a new license agreement, at Holiday's discretion, after the expiration of a previous license for the same hotel.
- Adaptive Reuse means a specific type of conversion that involves repurposing an existing structure for use as a Hotel in the Brand System.

If your Hotel is a conversion, change-of ownership or a re-licensing, the License may include obligations for the performance of construction and renovation work, specific to the property being licensed which will be detailed in Attachment "B" to the License. You should review these obligations before signing any License.

VOCO HOTELS:

A voco hotel will provide accommodations targeted to upscale travelers who are seeking a hotel that stands out from the crowd. A typical voco hotel consists of between 100 and 200 guest rooms; however, each hotel's room count may be adjusted to align with market conditions.

voco is a new upscale hotel brand that combines the informality and charm of an independent hotel with the quality and reassurance of a global and respected brand. The voco brand allows guests to enjoy an upscale experience with the freshness of a one-of-a-kind hotel under a name they can trust. Somewhere upscale, but with a laid-back spirit. Somewhere reliable, but different. Each voco hotel has its own individual character, featuring playful touches that guests will remember long after check-out, all built on a platform of sustainability.

HOLIDAY'S PARENT, PREDECESSOR, AND AFFILIATES:

Holiday's ultimate corporate parent is InterContinental Hotels Group PLC. InterContinental Hotels Group PLC does not maintain a principal place of business in the United States. Its principal place of business is at 1 Windsor Dials, Arthur Road, Windsor, Berkshire, SL4 1RS, United Kingdom.

Holiday's direct corporate parent is Six Continents Hotels, Inc. ("SCH") (formerly known as Bass Hotels & Resorts, Inc. and Holiday Hospitality Corporation). SCH's principal business address is also at Three Ravinia Drive, Suite 100, Atlanta, Georgia 30346.

Certain trademarks associated with the various hotel brands disclosed in this disclosure document are owned by SCH's affiliates, Six Continents Limited ("SCL") and InterContinental Hotels Group (Asia Pacific) Pte. Ltd. ("IHGAP"). Pursuant to various license agreements, SCL and IHGAP have granted SCH the exclusive license in the United States, United States territories, and Canada to use and sublicense use of all such trademarks (the "SCL and IHGAP License Agreements"). SCL's principal business address is 1 Windsor Dials, Arthur Road, Windsor, Berkshire, SL4 1RS, United Kingdom. IHGAP's principal business address is #13-00 Bugis Junction Towers, 230 Victoria Street 188024, Singapore.

SCH has granted - pursuant to a master license agreement (originally entered into between each party's respective predecessor) which was amended and restated most recently on January 1, 2024 (the "Master License") - Holiday the right to license and operate the *Holiday Inn, Holiday Inn Express, Holiday Inn Resort, Crowne Plaza, Staybridge Suites, Candlewood Suites, Hotel Indigo, EVEN Hotels, voco hotels, Vignette Collection, avid hotels, Atwell Suites,* and *Garner hotels* systems in the United States and Canada. Under the terms of the Master License, certain fees paid by licensees (other than the royalties and related fees) are payable to SCH, and either SCH or Holiday may collect those amounts from licensees. The Master License also grants the right to use and sublicense the IHG trademarks in connection with endorsement lines, the loyalty program, and other related uses. Also under the Master License, SCH is required to provide Holiday and its licensees with central marketing, reservation and training services.

Under a Master License Agreement effective September 1, 2003 (the "IHC License Agreement"), which was amended effective September 1, 2007, Inter-Continental Hotels Corporation ("IHC") granted Holiday the right to use and license the use of all marks associated with InterContinental Hotels & Resorts for a constantly renewing 25-year term. IHC's principal business address is Three Ravinia Drive, Suite 100, Atlanta, Georgia 30346.

SCH has also offered licenses outside of North America for the *Crowne Plaza, Holiday Inn Express* and *Holiday Inn* hotel brand groups since April 1997 (and its predecessors engaged in such activities before that time, commencing originally in May 1988). In November 2010 (as amended April 2024), SCH assigned some of its international licenses to certain affiliates of Holiday, as follows: IHGAP, a Singapore company, with a registered business address of 230 Victoria Street #13-00 Bugis Junction Towers, Singapore 188024, Singapore and IHG Japan Management LLC, a Japanese company, with a registered business address of 20th Floor, Toranomon Kotohira Tower, 2-8, Toranomon 1-chome, Minato-ku, Tokyo, Japan. These companies now offer licenses on a regional basis, outside of the Americas. Through the November 2010 (as amended April 2024) assignment, there was a grant of licenses from SCH to IHGAP for the Holiday Inn, Holiday Inn Express brand group, Holiday Inn Resort, Crowne Plaza, Staybridge Suites and Hotel Indigo marks in Australia, Bangladesh, Bhutan, Brunei, Cambodia, French Polynesia, Fiji, Hong Kong, India, Indonesia, Japan, Korea, Laos, Macao, Malaysia, Maldives, Mongolia, Myanmar, Nepal, New Zealand, Pakistan, Papua New Guinea, Philippines, Seychelles, Singapore, Sri Lanka, Taiwan, Thailand, Vanuatu and Vietnam (the "IHGAP Territories"). In June 2023, there was a grant of license by SCL to IHGAP for the voco and Vignette Collection marks in the IHGAP Territories. Through the license agreement between InterContinental Hotels Corporation and IHGAP there was a grant of a license for the InterContinental Hotels and Resorts marks in the IHGAP Territories.

SCH also operates the IHG Commission Services program and provides services related to the procurement, installation, training, use and maintenance of PMS equipment and software (see below).

Holiday's affiliate, IHG Hotels Limited, an English company, with its principal place of business located at 1 Windsor Dials, Arthur Road, Windsor, Berkshire, SL4 1RS, United Kingdom, has offered licenses for voco hotels and Regent Hotels on a regional basis outside of the Americas since 2018. As of December 31, 2024, there were 55 voco hotels in the United Kingdom, Middle East, Australia, and Asia and 10 Regent Hotels in Europe and Asia that are open for business.

Holiday's affiliate, IHG Franchising Brasil LTDA, a Brazilian company, with its principal place of business located at Alameda Jau 536 #3S-E, Sao Paulo, Brazil, has offered licenses in Brazil for the Holiday Inn, Holiday Inn Express, Candlewood Suites, Staybridge Suites, InterContinental Hotels & Resorts, Crowne Plaza, and Hotel Indigo brand groups since 2007, for EVEN Hotels since 2015, for avid hotels since 2019, for Atwell Suites and voco hotels since 2020 and for Vignette Collection hotels since 2021. As of December 31, 2024, there were 4 licensed Holiday Inn hotels and 2 licensed Holiday Inn Express hotels open in Brazil.

Holiday's international affiliates disclosed above also offer InterContinental Hotels & Resorts licenses on a regional basis, outside of the Americas. As of December 31, 2024, there were 50 licensed InterContinental Hotels & Resorts hotels in Europe, the United States, Mexico, Latin America, and the Asia/Pacific region, of which 5 hotels are co-branded under licensing agreements in Mexico (with Grupo Presidente) and 3 are co-branded in Central America with Real Hotels & Resorts.

Holiday's affiliate, IHG Franchising, LLC ("IHGFL"), has offered licenses for Kimpton Hotels & Restaurants since September 2018. As of December 31, 2024, there were 16 licensed Kimpton Hotels & Restaurants that are open for business in the United States. IHGFL does not operate businesses of the type licensed; however, certain of its affiliates manage such businesses and as of December 31, 2024, there were 57 managed Kimpton Hotels & Restaurants worldwide. IHGFL's address is Three Ravinia Drive, Suite 100, Atlanta, Georgia 30346.

Except as set forth above, neither Holiday nor any of its parents or affiliates has offered licenses for any other line of business outside of providing Hotel support to comply with the Standards and

for branded residential. Holiday does not operate businesses of the type being licensed, but its affiliates do. Holiday and its affiliates reserve the right to enter into any future business activities.

Holiday has had no predecessor in the ten-year period before the issuance date of this disclosure document.

PROPERTY MANAGEMENT, RESERVATION , & PAYMENT CARD PROCESSING SYSTEMS:

SCH owns or licenses (in the case of certain software) and administers a computerized reservation network, the "Reservation System," revenue management system, and a cloud-based network. Components of the Reservation System, revenue management system, and cloud-based network operate under the name of IHG Concerto ("IHG Concerto"). All hotels must be linked to the aforementioned central Reservation System, including all system enhancements and upgrades such as the revenue management system ("RMS", which is fully integrated with IHG Concerto) or such successor systems as SCH may designate. Hardware, software and network systems required to connect to the Reservation System must be fully operational when the hotel opens, with appropriate management and staff trained and competent to operate the Reservation System at all times.

SCH requires each Hotel to obtain and install an approved Property Management System ("PMS"). As of the date of this disclosure document, SCH offers one or two choices of PMS Solutions depending on factors such as room count: a premise-based Opera PMS Solution provided by Oracle America, Inc; and a new cloud-based PMS Solution provided by HotelKey ("Cloud PMS"). You must enter in to the Next-Gen PMS Agreement in the form attached as Exhibit G-11 to this disclosure document in order to operate on the Cloud PMS. In the future, additional PMS solutions may be offered by SCH. In addition, a front office protection service (FastConnect SD-WAN, currently provided by AT&T) is required as part of the PMS deployment (see Items 8 and 11 of this disclosure document for a detailed description of the systems).

The Master Technology Services Schedule, which is included as Attachment "D" of the License (the "MTSS") governs your ability to access and communicate with the Reservation System. You must enter into a PMS license (which is available upon request) with the SCH approved PMS vendor for the software, installation, training, use and maintenance of the PMS; and a contract with AT&T for the FastConnect SD-WAN service in the formed attached as Exhibit G-8 to this disclosure document. Prior to your Hotel's opening, you must also enter into the Microsoft Participation Agreement in the form attached as Exhibit G-10 to this disclosure document, which details the obligations under the provided software license (i.e. you cannot copy the license and use such license for unauthorized machines).

In June 2022, SCH entered into an Equipment Refresh and Integration Services Agreement with Hewlett-Packard Inc. ("HP") for deployment and procurement services for the Hotel PMS. Under that agreement, HP will provide PMS hardware, software, and deployment services at your Hotel. In 2021, SCH entered into a NextGen Payments ("NGP") Installation Services Agreement with HP for the procurement and installation services of a credit card solution. Pursuant to that agreement, HP will provide hardware, software, and installation services at your Hotel. You must enter into the HP Joinder Agreement in order to obtain the PMS hardware, software, and deployment services, and the NGP solution or such successor payments program as may be implemented by SCH at your Hotel. A copy of the HP Joinder Agreement can be found in Exhibit G-9 to this disclosure document.

SCH may install one or more "private network" connecting services, security services or another solution as specified, for use in communicating with the Reservation System or PMS.

IHG Concerto is a technology platform designed to enable many capabilities, such as reservations, digital check-in, stay enhancements, guest complaints, other front desk capabilities, rate management, inventory management and yielding and interactive homepage. The IHG Concerto platform is also designed to support effective management of Hotel Content and quick response to Guest Relations issues.

SCH administers a computerized payment card processing program, NextGen Payments ("NGP") (formerly referred to as Secured Payment Solutions ("SPS")). NGP is a data security process designed to protect certain credit card information. Using PCI certified payment terminals, credit card data will be encrypted and converted to tokens before entering the PMS. SCH has contracted with FreedomPay to provide the tokenization application services. All Hotels are required to use NGP or such successor payments program as may be implemented by SCH. Hardware and software systems required to connect must be fully operational when the Hotel opens, with appropriate management and staff trained and competent to operate NGP at all times. Each Licensee will be required to enter into a merchant processing application and agreement with Fiserv, the SCH-approved merchant service provider, and a participation agreement with FreedomPay and SCH (see Exhibit G-4).

CONDOMINIUM AND TIMESHARING PROJECTS:

Holiday may consider granting a license in connection with a long-term rental residential community, condominium or timesharing hotel development project. Because such projects are complex and unique, each project must be considered by Holiday individually. Holiday will determine, according to the unique facts of each proposed development, to what extent variations and additions to the License terms and provisions, including without limitation additional royalties and other fees, are warranted. Therefore, it is probable that License terms and provisions will vary materially for condominium or timesharing hotel developments, but at this time there is no formal program or guidelines with general applicability.

In September 2008, Holiday entered into license agreements and other agreements (which were subsequently amended in 2019) with Holiday Inn Club Vacations Incorporated (formerly known as Orange Lake Country Club, Inc.) and certain of its affiliates (collectively, "HICV"). Among other things, the agreements provide for HICV's use of the *Holiday Inn Club Vacations* brand in connection with the branding of certain timeshare resorts developed and/or operated by HICV and the sales and marketing of timeshare interests in such resorts, and the agreements permit HICV to use the *Holiday Inn Club* service mark in connection with the branding and operation of HICV's timeshare exchange program.

The licensing arrangement grants HICV certain protected rights to use the *Holiday Inn Club Vacations* and *Holiday Inn Club* service marks (the "HIC Service Marks") within the United States and certain other territories and prohibits Holiday from franchising the *Holiday Inn Club Vacations* brand or allowing third parties to use the HIC Service Marks while HICV's protected rights are in effect, subject to the conditions of the licensing arrangement. Accordingly, Holiday does not offer licenses involving timeshare properties. As of the date of this disclosure document, HICV's protected rights were in effect and Holiday and HICV had entered into license agreements for the branding by HICV of twenty-eight timeshare resorts located within the United States. All of those resorts were developed and/or are operated by HICV.

THE MARKET:

The market for Hotel services is highly developed. The lodging industry is very competitive. You will compete with a wide range of facilities offering various types of lodging and related services (including other hotel brands that Holiday or its affiliates license or manage). These facilities

include various other types of operations, some of which belong to large national and international companies. You will offer services to a broad range of the traveling public. Your ability to compete in your market will depend upon factors such as geographic area, specific site location, general economic conditions, and the capabilities of your management and service team.

INDUSTRY-SPECIFIC REGULATIONS:

You must comply with a number of federal, state and local laws which apply generally to hotel businesses. These include laws affecting zoning and construction, public accommodations, accessibility by persons with disabilities, service of alcoholic beverages, health and safety, food storage and preparation, labor, data security and privacy. Many of these laws vary from jurisdiction to jurisdiction. We do not represent that you will have the ability to procure any required license, permit certificate or other governmental authorization that may be necessary or required for you to carry out the activities contemplated by the License Agreement. It is your responsibility to learn about and comply with all applicable laws.

These laws include (among others) the following:

Health and Sanitation. Most states have regulations or statutes governing the lodging business and related services. Many state and local authorities require licensing of lodging businesses to assure compliance with health and sanitation codes. Health related laws affect the use of linens, towels, and glassware and food preparation and service, among other things.

It is your sole responsibility to research and comply with all applicable laws, rules, and orders of any government authority concerning health and sanitation. Holiday reserves the right to make any adjustments to our services as it may periodically determine necessary to protect health and safety. These adjustments may include, among other things, suspending in-person gatherings such as training, meetings and conferences; instead, such events may be conducted virtually.

Facility Operations. Lodging facilities are subject to state innkeepers' laws that may (i) allow innkeepers to impose liens against the possessions of guests who do not pay their bills; (ii) limit the liability of innkeepers regarding guests' valuables; (iii) require posting of house rules and room rates in each room or near the registration area; (iv) require registration of guests and proof of identity at check-in and retention of records for a specified period of time; (v) limit the right of innkeepers to refuse lodging to certain guests; and (vi) limit the right of innkeepers to evict guests in certain circumstances. Applicable federal and state civil rights laws prohibit discrimination in hotels on the basis of race, creed, color, or national origin. Some states prohibit "overbooking" and require innkeepers to find other accommodations if the guest has paid a deposit. Some states and municipalities have also enacted laws and regulations governing non-smoking areas and guest rooms.

Persons with Disabilities. The Americans With Disabilities Act ("ADA") requires hotels located in the United States that are newly constructed or altered on or after March 15, 2012 to be compliant with the provisions of the ADA (28 CFR Part 36) and all of the requirements of the 2010 ADA Standards for Accessible Design contained in 28 CFR Part 36, Subpart D and 36 CFR Part 1191, Appendices B and D (the "2010 Standards"). Hotels constructed or altered between September 15, 2010 and March 15, 2012 may comply with either the 2010 Standards or the prior 1991 ADA Standards for Accessible Design ("1991 Standards"), but a hotel must use the selected standards for all elements in the entire facility. If elements in hotels existing before September 15, 2010 already comply with corresponding elements in the 1991 Standards and are not being altered, hotels are not required to make changes to those elements to bring them into compliance with the 2010 Standards until such time as those elements are altered. The ADA, 2010 Standards and 1991 Standards contain certain specific criteria for accessibility of public spaces and

elements in hotels as well as room design, auxiliary equipment in rooms, and distribution of rooms designated as accessible for guests with disabilities. The ADA, 2010 Standards and 1991 Standards also set forth various operational requirements for hotels and reservation systems requirements. These reservation systems requirements have been incorporated into the Reservation System and the Standards. You are responsible for on-going compliance with the ADA, applicable design standards, and related local, state and federal laws and regulations at your Hotel. The entire text of the ADA, the 2010 Standards, and the 1991 Standards are available through IHG Merlin, the internet- based information delivery service for Brand System hotels, as well as www.ada.gov. Note that ADA compliance is not included in the "voco hotels" rooms plan review process.

Telephone Charges. Federal and state laws and regulations affect the re-offering of local, intrastate, and long-distance telephone services in hotel guest rooms and at coin box telephones. Surcharges on local and intrastate calls are regulated or prohibited in some states.

ITEM 2
BUSINESS EXPERIENCE

Chief Executive Officer, InterContinental Hotels Group, PLC-Elie W. Maalouf:

Chief Executive Officer, InterContinental Hotels Group, PLC (since July 2023); Chief Executive Officer, Americas (January 2015-June 2023).

Chief Executive Officer, Americas-Jolyon Bulley:

Chief Executive Officer, Americas (since July 2023); Chief Executive Officer, Greater China (January 2018-June 2023).

Chief Development Officer, Americas-Julienne Smith:

Chief Development Officer, Americas (since July 2022); Senior Vice President, Development (August 2019–June 2022).

Chief Operating Officer, Americas-Jason M. Caiafa:

Chief Operating Officer, Americas (since February 2020).

Chief Customer & Marketing Officer-Heather Balsley:

Chief Customer & Marketing Officer (since April 2024); Chief Customer Officer (since November 2023-April 2024) Senior Vice President, Global Loyalty & Partnerships (November 2019-November 2023).

Senior Vice President and Managing Director, Americas-Leanne Harwood:

Senior Vice President and Managing Director, Americas (since March 2024); Senior Vice President and Managing Director, Japan, Australasia, and Pacific (January 2018-March 2024).

Senior Vice President, Global Marketing, Mainstream Brands-Jennifer Gribble:

Senior Vice President, Global Marketing, Mainstream Brands (since November 2019).

Senior Vice President, Global Marketing, Luxury Brands-Jane Mackie:

Senior Vice President, Global Marketing, Luxury Brands (since March 2019).

Senior Vice President and General Counsel, Americas-Nimesh Patel:

Senior Vice President and General Counsel, Americas (since September 2020); Vice President and Associate General Counsel, Americas (October 2011-September 2020).

Senior Vice President and Chief Financial Officer, Americas-Geoffrey Blake Longstaff:

Senior Vice President and Chief Financial Officer, Americas (since March 2023); Vice President, Americas FP&A and Investment Analysis (July 2021-March 2023); Vice President, Capital Investments & Transactions (March 2020-July 2021).

Senior Vice President, Capital Investments and Transactions-Robert J. Chitty:

Senior Vice President, Capital Investments and Transactions (since February 2018).

Senior Vice President, Hotel Lifecycle and Growth, Americas-Chris Bagnato:

Senior Vice President, Hotel Lifecycle and Growth, Americas (since February 2020).

Senior Vice President, Franchise Sales and Development, Mainstream Brands-Kevin Schramm:

Senior Vice President, Franchise Sales and Development, Mainstream Brands (since July 2022); Vice President, Franchise Sales and Development, Mainstream Brands (October 2019-July 2022).

Vice President, Luxury and Upscale Development-Alex Kuhl:

Vice President, Luxury and Upscale Development (since April 2020).

Vice President, Franchise Licensing and Compliance-Jenny L. Tidwell:

Vice President, Franchise Licensing and Compliance (since January 2009).

ITEM 3
LITIGATION

Note: Throughout Item 3, Six Continents Hotels, Inc. (f/k/a Bass Hotels and Resorts, Inc.) is referred to as "SCH" and Holiday Hospitality Franchising, LLC (f/k/a Holiday Hospitality Franchising, Inc. and Holiday Inns Franchising, Inc.) is referred to as "Holiday." Please see Item 1 for further detail on corporate history and corporate name changes. Other than the actions described below, there is no litigation that must be disclosed in this Item 3.

Pending Litigation:

Atlanta Hospitality Investment, LLC, a Georgia limited liability company, and Mohammad Sarower Hossain, individually v. Holiday Hospitality Franchising, LLC, DeKalb County, Georgia Superior Court, Civ. Action No. 23-CV-9509 (October 31, 2023).

Plaintiffs are the licensee and guarantor with respect to a former Holiday Inn & Suites branded hotel. Plaintiffs filed their initial petition for declaratory judgment on October 31, 2023 and an amended petition on December 7, 2023. The plaintiffs ceased operating the hotel as a Holiday Inn & Suites branded hotel and de-identified the hotel without Holiday's permission long before the October 15, 2041 expiration date of the license agreement. The amended petition alleges that Holiday made certain misrepresentations to plaintiffs in advance of the execution of the license agreement but asserted no claim for damages. The amended petition seeks a declaratory judgment finding that Holiday's license agreement is unconscionable and unenforceable, that the liquidated damages clause is an unenforceable penalty, and that the defendants are not liable to Holiday for ceasing to operate the hotel as a Holiday Inn & Suites and de-identifying the hotel. On February 2, 2024, Holiday filed an answer and counterclaims against the plaintiffs, asserting claims for breach of the license agreement and associated guaranty related to licensee's ceasing operating the hotel as a Holiday Inn & Suites branded hotel and deidentifying the hotel long before its scheduled expiration date. Holiday's counterclaims seek liquidated damages, other unpaid amounts owed under the license, interest and attorneys' fees, exceeding $2.1 million total. Holiday believes plaintiffs are entitled to none of the relief sought in their petition for declaratory

relief and that Holiday is entitled to judgment in the amounts sought in its counterclaims. On March 26, 2024, Plaintiffs filed a motion for summary judgment on their claims, and a "supplemental" motion for summary judgment on April 24, 2024. Holiday filed its own motion for summary judgment on all claims on August 29, 2024. Both motions are fully briefed, and the parties are awaiting the Court's ruling. Holiday believes the plaintiff's summary judgment motion has no merit and is vigorously defending.

Scion Hotels LLC vs. Holiday Hospitality Franchising, LLC, Case No. 24-2800 (3d Cir. September 25, 2024).

Scion Hotels LLC ("Scion"), a New Jersey licensee of a Holiday Inn hotel, filed a civil complaint against Holiday to obtain damages for violation of the New Jersey Franchise Practices Act in allegedly wrongfully imposing unreasonable standards of performance upon Scion and then wrongfully refusing to renew its license agreement. Scion's allegations focus on the alleged concealment of Holiday's intent to convert a nearby 400-room Ramada Plaza to a full-service Holiday Inn (completed in January 2020), proposed licensing of a nearby Hampton Inn as a Holiday Inn Express, and purported refusal to extend the existing license agreement with Scion upon its expiration on April 21, 2021. Scion acquired the existing Holiday Inn and signed a remaining term (22-month) license agreement with IHG on June 4, 2019. Scion alleges that it would not have acquired the hotel had it known Holiday's intentions. On April 9, 2021, Scion filed an amended complaint which removed the previously asserted allegations regarding alleged fraudulent concealment on the part of Holiday. The amended complaint asserts causes of action for Wrongful Non-Renewal under the New Jersey Franchise Practices Act, Constructive Termination under the New Jersey Franchise Practices Act, and Unreasonable Standards of Performance Under the New Jersey Franchise Practices Act. Scion alleges damages of no less than $10 million. Holiday filed a motion for summary judgment on all claims on April 28, 2023, and the Court granted Holiday's motion on September 18, 2024. Scion appealed the Court's ruling on September 25, 2024. The appeal has been fully briefed, and the parties are awaiting the Court's ruling. Holiday believes the appeal and underlying allegations to be meritless and is defending vigorously.

K.J. Harjani & Cia Ltda v. Six Continents Hotels, Inc., 3rd Civil Court of Manaus, Brazil, Case No. 0022145-55.2006.8.04.0001 (July 5, 2006).

The former licensee of the Holiday Inn hotel in Manaus, Brazil filed a lawsuit seeking damages for alleged wrongful termination of the license agreement. The license agreement was terminated due to non-compliance with brand standards in 2002. This lawsuit was filed on July 5, 2006 and Six Continents Hotels, Inc. ("SCH") was served in 2014. SCH filed an answer denying the claims and requesting dismissal for failure to prosecute. SCH intends to defend against this claim vigorously.

TJM Columbus, LLC d/b/a Crowne Plaza-Columbus North and TJM Syracuse, LLC d/b/a Crowne Plaza Syracuse v. Holiday Hospitality Franchising, LLC and Six Continents Hotels, Inc. d/b/a InterContinental Hotels Group, DeKalb County, Georgia Superior Court, Civ. Action No. 22-cv-5181 (May 23, 2022).

Plaintiffs were Crowne Plaza licensees (for the Crowne Plaza Columbus North – Worthington and the Crowne Plaza Syracuse, respectively). Plaintiffs assert a breach of contract claim against Holiday and SCH related to a proposed sale of the subject hotels to a developer that intended to convert the subject hotels out of the Crowne Plaza system. The Plaintiffs assert that Holiday breached the Plaintiffs' license agreements by improperly interfering with the contemplated transaction, including by contacting the potential purchaser and informing the potential purchaser that Holiday would not approve the proposed conversion transaction. The plaintiffs also assert causes of action related to Holiday and SCH allegedly imposing required vendors on its licensees and receiving improper "kickbacks" from such vendors. Plaintiffs specifically assert causes of

action under Georgia's RICO statute, breach of contract, declaratory judgment, fraud in the inducement and violations of the New York State Franchise Act (as to the Syracuse plaintiff) based on these theories. The lawsuit seeks actual damages, treble damages, rescission of the subject license agreements, declaratory judgment, interest, and expenses of litigation. On June 24, 2022, Holiday and SCH filed a notice of removal removing the case to the United States District Court for the Northern District of Georgia. The case was assigned case number 1:22-cv-2541-VMC. Holiday believes the allegations and the lawsuit to be meritless is defending vigorously. On July 1, 2022, Holiday and SCH filed a motion to dismiss all claims. On March 29, 2023, the Court granted the motion to dismiss as to the fraud and RICO claims. The Court remanded the action to the Georgia Superior Court without evaluating the remaining state law claims. On May 5, 2023, Holiday and SCH filed a motion to dismiss the remainder of the claims in the Georgia Superior Court, which the court denied on July 31, 2023. Holiday and SCH filed a motion for summary judgment with respect to all remaining claims on September 14, 2023. Before the court ruled on that motion, the defendants filed an amended complaint on December 6, 2023. The amended complaint asserts claims for breach of contract, declaratory judgment, fraud in the inducement, and violations of the Georgia Uniform Deceptive Trade Practices Act, all premised on allegations related to the above-reference contemplated sale transaction and/or alleged misrepresentations contained in Holiday's Franchise Disclosure Documents and elsewhere related to vendors and suppliers and Holiday's procurement program generally. The amended complaint seeks actual and punitive damages, rescission of the subject license agreements, injunctive relief and the recovery of expenses and attorneys' fees. In light of the amended complaint and the new claims asserted therein, Holiday and SCH filed a notice of removal removing the case to the United States District Court for the Northern District of Georgia on January 4, 2024. The District Court case number is 1:24-cv-00055-VMC. The plaintiffs moved to remand the case back to Superior Court on January 8, 2024. Holiday and SCH moved to dismiss all claims in the amended complaint on January 11, 2024. The plaintiffs' motion to remand the case was granted on April 18, 2024 and the case is back in Superior Court. Holiday and SCH filed a renewed motion for summary judgment on all claims on May 23, 2024, which remains pending.

Holiday Hospitality Franchising, LLC v. Niranjan Khatiwala, Nimesh D. Vesuwala and Mayur N. Khatiwala, State Court of Dekalb County, Georgia, Civil Action File No. 20A83898 (December 11, 2020).

On December 11, 2020, Holiday filed a lawsuit against the defendants seeking liquidated damages and unpaid system fees owed under a Crowne Plaza license agreement that Holiday terminated as a result of the licensee's failure to pay amounts owed to Holiday under the agreement. On April 30, 2021, the defendants filed counterclaims against Holiday alleging Holiday imposed unreasonable renovation requirements on the licensee related to the subject hotel and required renovations outside the scope of the requirements of the applicable agreements. The defendants asserted claims for breach of contract, breach of quasi-contract, negligent misrepresentation, promissory estoppel, and attorneys' fees. Holiday believes the allegations to be meritless and is defending vigorously. On June 1, 2021, Holiday filed a motion to dismiss all of the Defendants' counterclaims, which motion remains pending. On April 18, 2022, the State Court transferred the case, including Holiday's pending motion to dismiss, to the Superior Court of DeKalb, County Georgia because the Defendants' counterclaims include an equitable claim that requires Superior Court Jurisdiction. The case is currently pending in the Superior Court of DeKalb County, Georgia under Civil Action No. 22CV4560.

Class Action Lawsuits:

Park 80 Hotels, LLC, PL Hotels, LLC, PH Lodging Tomball, LLC, 110 Sunport, LLC, and Synergy Hotels, LLC, *individually and on behalf of all other similarly situated*, v. Holiday Hospitality

Franchising, LLC and Six Continents Hotels, Inc. d/b/a InterContinental Hotels Group, Case No. 25-10068 (11th Cir. January. 6, 2025).

Holiday, SCH, and the IHG Owner's Association were named defendants in seven class action lawsuits filed in 2021 by putative classes of Holiday licensees in Connecticut, Louisiana, New Jersey, New Mexico, Ohio, Pennsylvania and Texas. Each of the lawsuits allege that Holiday and SCH engaged in unlawful and otherwise improper franchise business practices, including, imposing unreasonable products, services and requirements and receiving improper kickbacks from required purchases. Specifically, the lawsuits assert causes of action including breach of contract, breach of the implied covenant of good faith and fair dealing, breach of fiduciary duty, declaratory judgment, violation of the Sherman Act, and a demand for an accounting. The New Jersey and Pennsylvania class action lawsuits have since been dismissed. Neither Holiday nor SCH paid any amounts in connection with the dismissal of these class action lawsuits. The five lawsuits that remain are:

1. Park 80 Hotels LLC, a Louisiana limited liability company, PL Hotels, LLC, a Louisiana limited liability company, individually, and on behalf of a class of similarly situated individuals and entities v. Holiday Hospitality Franchising, LLC, Six Continents Hotels, Inc. D/b/a Intercontinental Hotels Group and IHG Owners Association, Inc., United States District Court for the Eastern District of Louisiana, Civil Action No. 2:21-cv-974 (May 19, 2021) (this case was transferred to the Northern District of Georgia on November 9, 2021 and has been assigned Civil Action No. 1:21-cv-04650-ELR).

2. Aaron Hotel Group, LLC, a Connecticut limited liability company, individually, and on behalf of a class of similarly situated individuals and entities v. Holiday Hospitality Franchising, LLC, Six Continents Hotels, Inc. d/b/a Intercontinental Hotels Group and IHG Owners Association, Inc., United States District Court for the District of Connecticut, Civil Action No. 3:21-cv-00727 (May 27, 2021) (this case was transferred to the Northern District of Georgia on February 3, 2022 and has been assigned Civil Action No. 1:22-cv-00838-ELR).

3. PH Lodging Tomball, LLC, a Texas limited liability company, on behalf of itself and a class of similarly situated entities v. Holiday Hospitality Franchising, LLC, Six Continents Hotels, Inc. d/b/a Intercontinental Hotels Group and IHG Owners Association, United States District Court for the Southern District of Texas, Civil Action No. 4:21-cv-01803 (June 3, 2021) (this case was transferred to the Northern District of Georgia on December 10, 2021 and has been assigned Civil Action No. 1:21-cv-05072-SDG).

4. Synergy Hotels, LLC, an Ohio Limited Liability Company, on behalf of itself and all those similarly situated v. Holiday Hospitality Franchising, LLC, Six Continents Hotels, Inc. D/b/a InterContinental Hotels Group and IHG Owners Association, Inc., United States District Court for the Southern District of Ohio, Civil Action No. 2:21-cv-03248-MHW-KAJ (June 7, 2021) (this case was transferred to the Northern District of Georgia on December 17, 2021 and has been assigned Civil Action No. 1:21-cv-05164-MHC).

5. 110 Sunport LLC, a New Mexico Limited Liability Company, individually and on behalf of all others similarly situated v. Holiday Hospitality Franchising, LLC, Six Continents Hotels, Inc. d/b/a Intercontinental Hotels Group, Civil Action No. 1:21-cv-00844 D.N.M. August 26, 2021) (this case was transferred to the Northern District of Georgia on February 3, 2022 and has been assigned Civil Action No. 1:22-cv-00456-ELR).

The foregoing five actions were transferred to the Northern District of Georgia and consolidated in Civil Action No. 1:21-cv-04650-ELR. The plaintiffs filed a single amended complaint in the

consolidated action on March 31, 2022 asserting causes of action for breach of contract, violations of the Georgia Uniform Deceptive Trade Practices Act, Declaratory Judgment, Violation of the Sherman Act, a demand for an Accounting, recovery of litigation expenses, and seeking unquantified damages, including punitive damages. On May 23, 2022, Holiday and SCH filed a motion to dismiss all claims. On February 16, 2023, the Court granted the motion to dismiss in part, dismissing the majority of the claims asserted by the Plaintiffs. The surviving claims were (i) one breach of contract claim, (ii) one claim alleging that Holiday and SCH violated the Georgia Uniform Deceptive Trade Practices Act, and (iii) the demands for an accounting and attorneys' fees. On March 6, 2023, the Plaintiffs filed a motion for reconsideration of the Court's order dismissing the majority of the claims asserted by the plaintiffs, which the Court denied on August 4, 2023. The fact discovery period in the case has closed and the expert discovery period closed on February 7, 2024. Holiday and SCH filed a motion for summary judgment on all remaining claims on February 21, 2024. Plaintiffs filed a motion for class certification the same day. On December 9, 2024, the Court granted Holiday and SCH's motion for summary judgment, directed the clerk to enter judgment in favor of Holiday and SCH, and denied as moot the plaintiffs' motion for class certification. The plaintiffs filed a notice of appeal on January 6, 2025. Holiday and SCH believe the appeal and underlying claims are meritless and are defending vigorously.

Litigation Against Licensees Commenced in the Last Fiscal Year

Litigation against Licensees and/or Guarantors for Unpaid License Fees and/or other damages

Holiday Hospitality Franchising, LLC v. Momentum Fort Worth Investment LLC, Abdul Majid Hassanally and Shahnaz Majid Hassanally, State Court of DeKalb County, Georgia, Civ. Action No. 24A00417 (January 24, 2024).

Holiday Hospitality Franchising, LLC v. Saddle FM, LLC Tamanna Chowdhury Ahmed, Arif Ahmed, Mohammed A. Kasham, State Court of DeKalb County, Georgia, Civil Action File No. 24A02945 (May 15, 2024).

Holiday Hospitality Franchising, LLC v. Butel, LLC, Ushakant V. Patel, and Pratima V. Patel, State Court of DeKalb County, Georgia, Civil Action File No. 24A01972 (April. 2, 2024).

Concluded Litigation:

Coquihalla Motor Inn Ltd. v. Holiday Hospitality Franchising, LLC, Supreme Court of British Columbia, Court File No. VER-S-S-58661 (August 22, 2024).

Defendant (a Holiday licensee) filed a Notice of Civil Claim seeking a declaration that no binding license agreement exists and costs. They alleged, among other things, that there was no valid offer and acceptance of the license agreement giving rise to a binding agreement. The parties resolved the matter a confidential settlement. The parties filed a consent order of dismissal on October 31, 2024.

Park 80 Hotels, LLC, PL Hotels, LLC, Mayur Patel, JSK Exton LLC, Jay Z. Kuber Hospitality, Inc., Parmattma Corporation and Synergy Hotels, LLC, *individually and on behalf of all others similarly situated* v. Holiday Hospitality Franchising, LLC and Six Continents Hotels, Inc. d/b/a InterContinental Hotels Group and IHG Technology Solutions, LLC, Case 1:22-cv-03709-LMM (N.D.Ga. Sep. 15, 2022).

The original complaint was filed in this action on September 15, 2022, and an amended complaint was filed on November 22, 2022. The putative class action lawsuit brought on behalf of putative classes of Holiday licensees related to an unauthorized access to certain of IHG's systems by

third party bad actors that resulted in a temporary disruption of certain services which plaintiffs alleged had a negative impact on their businesses. The suit asserted causes of action for breach of contract, violations of the Georgia Uniform Deceptive Trade Practices Act, Negligence, Negligence *Per Se*, unjust enrichment, and sought damages in an unspecified amount, expenses of litigation, and declaratory and injunctive relief. Holiday, SCH and IHG Technology Solutions, LLC filed a motion to dismiss all claims on December 2, 2022. The Court ruled on the motion to dismiss on February 8, 2024, finding that Plaintiffs' complaint was a shotgun pleading and requiring Plaintiffs to replead their allegations within 21 days. The plaintiffs filed their second amended complaint on February 29, 2024 which did not materially change the relief sought. Holiday, SCH and IHG Technology Solutions, LLC filed a renewed motion to dismiss all claims on March 14, 2024. The Court granted the motion on July 31, 2024, dismissing the second amended complaint with prejudice and directing the clerk to close the case.

Holiday Hospitality Franchising, LLC v. Jaimin Shah, Shreyas Patel and Mukesh Patel, Civil Action No. 1:22-cv-05026-LMM (N.D. Ga., originally filed in the State Court of Dekalb County on Aug. 30, 2022, removed by defendants to federal court on December 21, 2022).

Defendant Jaimin Shah entered into a Holiday Inn License Agreement with Holiday that required Shah to complete a renovation plan for an existing building, prepare it to open as a Holiday Inn branded hotel, and so open on the timeline set forth in the License Agreement. Shah, Shreyas Patel and Mukesh Patel personally guaranteed the License. Holiday terminated the License Agreement for Licensee's failure to complete the necessary renovations and open the hotel on the timeline required by the License Agreement, and Holiday filed suit seeking liquidated damages for breach of the License Agreement and Guaranty. On March 7, 2023, the Defendants filed their answer and asserted counterclaims against Holiday alleging, among other things, that they were led to believe by Holiday that they were on track to open in the hotel and relied on Holiday's representations to their detriment by continuing to incur renovations costs. Defendants asserted counterclaims for fraud, violations of Georgia Uniform Deceptive Trade Practices Act, and breach of the implied covenant of good faith and fair dealing, and sought recovery of expenses of litigation, attorneys' fees, and punitive damages. The parties resolved the matter via a settlement that resulted in payments being made to Holiday and no payment made by Holiday. The parties filed a joint stipulation of dismissal with prejudice on October 30, 2023.

Tsemex Global Enterprise PLC & Tsemex Hotels and Business PLC ("Tsemex") v. IHG Hotels Limited and InterContinental Hotels Group, PLC ("IHG"), International Chamber of Commerce (March 13, 2020).

Claimant, owner of a proposed non-licensed hotel development project in Addis Abbaba, Ethiopia, filed a Statement of Claim with the International Chamber of Commerce alleging that IHG misrepresented its rights to license the Crowne Plaza brand in Ethiopia, causing damages. The Claimant's memorial and witness statements were received on March 23, 2020. IHG served its responsive memorial on July 17, 2020. The Claimants served their second memorial on November 4, 2020 and IHG responded on January 13, 2021. The merits hearing took place between July 5-14, 2021. Post-hearing briefs were filed on October 8, 2021 followed by oral closing submissions on November 16 & 17, 2021. A partial award was issued on December 2, 2022 awarding damages to Claimant. The amount is confidential pursuant to requirements of the London Court of International Arbitration.

Anderson, et al. v. Kimpton Hotel & Restaurant Group, LLC, United States District Court, Northern District of California, Civil Action Case No. 3:19-cv-01860-MMC (April 5, 2019).

On April 5, 2019, Plaintiffs filed a purported class action suit alleging that they were harmed by No. 3:19-cv-01860-MMC the compromise of personal information due to a data security breach affecting Kimpton Hotels during the period August 10, 2016 – March 9, 2017. This suit relates to the breach of the Sabre SynXis reservation system used by Kimpton during the referenced time frame. On August 8, 2019, the court granted Kimpton's motion to dismiss the complaint. Plaintiffs

filed an amended complaint on August 30, 2019, adding two new named plaintiffs. On November 1, 2019, the court granted Kimpton's motion to dismiss the amended complaint. Plaintiffs filed a second amended complaint on December 16, 2019. In response to Kimpton's motion to dismiss the second amended complaint, Plaintiffs amended the complaint for the third time on February 11, 2020. Kimpton answered on August 7, 2020. The Plaintiffs' motion for class certification was denied on April 20, 2022. The Plaintiffs' motion for class certification was denied on April 20, 2022. On May 26, 2023, the parties resolved this matter via signed a settlement agreement resulting in Kimpton Hotels making payment to plaintiffs. The case was dismissed with prejudice on May 26, 2023 after the parties filed a joint Stipulation of Dismissal with Prejudice.

Holiday Hospitality Franchising, LLC v. 109454 Canada, Inc., Michael Rosenberg, and Louis Drazin, Province of Quebec, District of Montreal, Case No. 500-17-098388-179 (April 18, 2017).

On April 18, 2017, Holiday filed a lawsuit against the defendants seeking unpaid system fees and liquidated damages related to the termination of a Holiday Inn hotel license agreement. On July 13, 2018, defendants filed a cross demand seeking damages for alleged misuse of the judicial process. The parties resolved the matter via a settlement that resulted in payments being made to Holiday and no payment made by Holiday. The litigation was dismissed on December 12, 2022.

Hotels Cote de Liessee, Inc. v. Holiday Hospitality Franchising, LLC, Chancery Court for the State of Tennessee, Davidson County, Case No. 19-145-I (January 30, 2019).

Plaintiff, licensee of a Holiday Inn hotel in Montreal, originally brought suit in Montreal, Canada - in the case Hotels Cote de Liesse, Inc. v. Holiday Hospitality Franchising, LLC, Province of Quebec, District of Montreal, Superior Court No. 500-17-100372 (September 22, 2017)- alleging that Holiday breached the obligation of good faith with respect to the license agreement by allegedly failing to honor alleged oral representations concerning a nearby hotel. The Montreal Court dismissed the claims against Holiday on November 26, 2018; after which dismissal, the Plaintiff then filed this complaint in Tennessee on January 30, 2019 alleging breach of contract of the hotel license agreement. Plaintiff subsequently sold the hotel before the expiration of the license agreement in 2019, Holiday terminated the license agreement thereafter, and on April 10, 2020, Holiday asserted a counterclaim against Plaintiff and a third party claim against Michael Rosenberg seeking unpaid system fees and liquidated damages arising from the early termination of the license agreement. The parties resolved the matter via a settlement that resulted in payments being made to Holiday and no payment made by Holiday. The litigation was dismissed on December 12, 2022.

Holiday Hospitality Franchising, LLC, f/k/a Holiday Hospitality Franchising, Inc. v. RD Secaucus, LP, RosDev Hospitality US, LLC, and Michael Rosenberg, State Court of DeKalb County, GA, Civil Action File No. 18A71055-7 (September 11, 2018).

On September 11, 2018, Holiday filed a lawsuit against the defendants seeking unpaid system fees and liquidated damages related to the termination of a Crowne Plaza® hotel license agreement. On November 27, 2018, defendants filed a counterclaim alleging breach of contract, failure to provide consultation and advice, and misrepresentation. The parties resolved the matter via a settlement that resulted in payments being made to Holiday and no payment made by Holiday. The litigation was dismissed on December 12, 2022.

Holiday Hospitality Franchising, LLC v. Stamford Plaza Hotel and Conference Center, L.P., RDCP Holdings and Michael Rosenberg, State Court of DeKalb County, GA, Civil Action File No. 20A78893 (January 30, 2020).

On January 30, 2020, Holiday filed a lawsuit against the defendants seeking more than $2 million in unpaid system fees owed to Holiday under a Crowne Plaza hotel license agreement. On

August 6, 2020, defendants filed substantially the same counterclaim that was asserted in the RD Secaucus matter described above (the two hotels are owned by the same group), and a separate claim for fraudulent inducement. Holiday believes the counterclaims to be meritless and intends to defend against the claims vigorously. The defendants shut down operations of the subject hotel and Holiday terminated the license agreement on August 27, 2021, and Holiday subsequently filed an amended complaint on January 24, 2022, seeking unpaid system fees, liquidated damages, and other amounts in excess of $5 million. The parties resolved the matter via a settlement that resulted in payments being made to Holiday and no payment made by Holiday. The litigation was dismissed on December 12, 2022.

Holiday Hospitality Franchising, LLC v. Jamesburg Hospitality, LLC, Ashok Pancholi, Yogesh Pancholi, Hetal Pancholi, and Vishnu Dayal, State Court of DeKalb County, GA, Civil Action File No. 20A80648 (June 5, 2020).

On June 5, 2020, Holiday filed a lawsuit against the defendants seeking unpaid system fees under a terminated Crowne Plaza® license agreement. On August 21, 2020, the defendants filed a counterclaim against Holiday alleging breach of contract and breach of covenant of good faith. The parties resolved the matter via a settlement that resulted in payments being made to Holiday and no payment made by Holiday. The litigation was dismissed on February 10, 2021.

Holiday Hospitality Franchising, LLC v. South Boston Hospitality, LLC, Prakash N. Bhoola, Urjita P. Bhoola, Rajendra Jariwala, and Hemlata R. Jariwala a/k/a Hemlataben R. Jariwala, State Court of DeKalb County, GA, Civil Action File No. 18A69075 (April 30, 2018).

On April 30, 2018, Holiday filed a lawsuit against the defendants seeking unpaid system fees and liquidated damages related to the termination of a Holiday Inn Express hotel license agreement. On July 20, 2018, defendants filed a counterclaim alleging breach of contract, breach of implied covenant of good faith and fair dealing, fraud, and fraudulent misrepresentation. The parties resolved this matter via a settlement that resulted in payments being made to Holiday and no payment made by Holiday. The litigation was dismissed on September 30, 2020.

David Orr v. InterContinental Hotels Group, PLC, Inter-Continental Hotels Corp., and InterContinental Hotels Group Resources, Inc., United States District Court, Northern District of Georgia, Civil Action No. 1:17-cv-01622-MHC (May 5, 2017).

Plaintiff filed a class action complaint on May 5, 2017, alleging breach of implied contract, negligence, and unjust enrichment regarding a payment card incident. Plaintiff alleges that the defendants failed to secure and safeguard customers' personal financial data. The court approved a motion for preliminary approval of settlement on May 18, 2020. On September 2, 2020, the court gave final approval and the case was dismissed with prejudice.

Jay Brodsky v. Hilton Worldwide Holdings, Inc., Hyatt Hotels Corporation, Marriott International, Inc., Wyndham Worldwide Corporation, InterContinental Hotel Group, John and Jane Doe, United States District Court for the Northern District of New Jersey, Case No. 2:18-cv-13045 (August 20, 2018).

Plaintiff filed suit against InterContinental Hotels Group ("IHG") and others alleging violations of federal antitrust law. The complaint alleged that the defendant hotel companies engaged in a scheme to restrict keyword bidding that resulted in Plaintiff being forced to pay higher hotel prices. The defendants resolved this matter with a total payment of $7,000 ($1,400 per defendant) to Plaintiff. The case was dismissed with prejudice on April 1, 2019.

Back Bay Resorts SWF, LLC and Edmund Shamsi v. Holiday Hospitality Franchising, LLC, United States District Court, Northern District of Georgia, Atlanta Division, Civil Action No. 1:14-cv-02521-ELR (August 14, 2014).

A current licensee and guarantor who operate a Hotel Indigo brand hotel in Ft. Myers, Florida, filed suit seeking to terminate their license agreement. Plaintiffs sought actual damages they

claimed to have suffered based on Holiday's alleged breaches of the license agreement, breach of the duty of good faith and fair dealing, and tortious interference with their contractual relationship with third-party vendors and prospective hotel guests. Plaintiffs also sought declaratory and injunctive relief. On March 2, 2015, the court granted Holiday's motion to dismiss but gave plaintiffs leave to amend the complaint. On April 1, 2015, Plaintiff filed an amended complaint alleging breaches of the license agreement, violations of the duty of good faith and fair dealing and seeking declaratory relief. On November 20, 2015, the court granted in-part Holiday's motion to dismiss. The court dismissed Plaintiff's claims that Holiday breached the license agreement and duty of good faith and fair dealing by failing to use certain fees collected to confer certain benefits upon the hotel. The court also dismissed Plaintiff's request for declaratory judgment. The parties resolved this matter with no money paid by Holiday. This matter was dismissed with prejudice on July 11, 2018.

110 Sunport, LLC, 786 Sunport, LLC, Gibbs Master Tenant, LLC, Tajdin Gillani, Rashida Gillani, Tushar Patel, Sangita Patel, Jayesh Patel, Nanda Patel, Ashish Patel, Yamini Patel v. Holiday Hospitality Franchising, LLC, United States District Court, District of New Mexico, Case No. 1:17-cv-01097-KBM-SCY (October 5, 2017).

On October 5, 2017, the licensees of a Holiday Inn® Express & Suites hotel and a Staybridge Suites hotel located in Albuquerque, New Mexico and the licensee and guarantors of a former Hotel Indigo® hotel located in San Antonio, Texas filed suit against Holiday alleging tortious interference with prospective contract, misrepresentation, unfair and unconscionable trade practices, repudiation of contract, breach of implied fiduciary duty, and breach of contract for payment plan. Plaintiffs originally filed suit in the State Court of New Mexico. Holiday removed the action to federal court and filed a motion to dismiss the claims. The parties resolved this matter with no payment made by Holiday. The litigation was dismissed with prejudice on December 26, 2018.

Holiday Hospitality Franchising, LLC v. Omkar Rocklin, Inc., Bhavin Mehta, and Monali Mehta, State Court of DeKalb County, Civil Action File No. 18A70085-5 (July 3, 2018).

On July 2, 2018, Holiday filed a lawsuit against the defendants seeking unpaid system fees and liquidated damages related to the termination of a Holiday Inn Express hotel license agreement. On August 13, 2018, defendants filed a counterclaim alleging breach of contract, wrongful termination of license agreement, and breach of the implied duty of good faith and fair dealing. The parties resolved this matter with no payment made by Holiday. The litigation was dismissed with prejudice on June 10, 2019.

Holiday Hospitality Franchising, LLC v. AE Hotels, LLC, Adel Shehata and Heba Shehata, State Court of DeKalb County, GA, Civil Action File No. 18A71043 (September 11, 2018).

On September 11, 2018, Holiday filed a lawsuit against the defendants seeking unpaid system fees and liquidated damages related to the termination of a Holiday Inn Express hotel license agreement. On October 24, 2018, defendants filed a counterclaim alleging unjust termination of the license agreement. On July 10, 2019, Holiday obtained a judgment against defendants in the amount of $950,145.90 plus attorneys' fees and prejudgment interest.

In the Matter of Foremost Hospitality HIEX GMBH and IHG Hotels Limited, London Court of International Arbitration (January 29, 2018).

On January 29, 2018, a party to a license agreement for a Holiday Inn Express hotel to be located in Stuttgart, Germany, requested an arbitration proceeding in accordance with the terms of the license agreement. The Claimant alleged that that IHG Hotels Limited ("IHG Hotels") wrongfully terminated the agreement. An arbitration was held in April 2019, where the Claimant sought monetary damages and a declaratory judgment. On February 7, 2020, the arbitrator issued an award against IHG Hotels for damages, legal fees and costs, and interest. The amount of the

award is confidential pursuant to requirements of the London Court of International Arbitration. IHG Hotels has never offered licenses in the United States.

Eric Washington v. Six Continents Hotels, Inc., United States District Court, Central District of California, Western Division, Civil Action No. 2:16-cv-03719 (May 27, 2016).

On May 27, 2016, Washington filed suit against Six Continents Hotels, Inc., ("SCH"), alleging that SCH sent him hundreds of text messages without his consent, in violation of the Telephone Consumer Protection Act (TCPA). The TCPA prohibits companies from using an automatic telephone dialing system (ATDS) to send text messages and prohibits certain text messages absent written consent. Washington seeks statutory damages. SCH filed a motion to dismiss Washington's claims. The parties agreed to resolve this matter with a payment made by SCH of $175,000. This matter was dismissed with prejudice on February 26, 2019.

Lenexa Hotel, LP v. Holiday Hospitality Franchising, Inc., United States District Court, District of Kansas, Kansas City Division, KS, Case No. 12CV2775 (December 10, 2012), Case No. 15-9196 (August 4, 2015).

A lawsuit was filed by a Crowne Plaza® licensee in Lenexa, Kansas, initially on December 10, 2012, and later amended on January 17, 2013, alleging breach of contract, breach of the covenant of good faith and fair dealing and seeking declaratory relief as result of Holiday's alleged failure to meet its contractual obligations concerning the reservation system. Holiday filed a motion to dismiss on March 1, 2013, which was denied. Near the close of the discovery process, the parties jointly moved the Court to permit Plaintiff to voluntarily dismiss the lawsuit so that the parties could discuss a possible resolution. Under the dismissal, which was approved by the Court, plaintiff was permitted to re-file if the parties could not resolve the matter. Plaintiff re-filed the lawsuit on August 4, 2015, and filed for Chapter 11 bankruptcy protection on November 1, 2016. The hotel left the Crowne Plaza system on August 31, 2017. Holiday filed a counterclaim seeking unpaid fees and liquidated damages related to the termination of the license agreement. On April 26, 2018, Plaintiff amended the complaint to allege fraudulent inducement of contract. On August 31, 2018, Holiday moved for summary judgment on all claims. Following a mediation, the parties resolved this matter with no admission of liability by either party and Holiday making a payment to Plaintiff of $10.9M. The matter was dismissed with prejudice on January 7, 2019.

Holiday Hospitality Franchising, LLC v. RP/OE Waikiki Beachcomber, LLC, State Court of DeKalb County, GA, Civil Action File No. 18A68410. (March 8, 2018).

On March 8, 2018, Holiday filed a lawsuit against the defendant seeking damages related to the termination of a Holiday Inn Resort hotel license agreement. In response, on May 11, 2018, defendant filed a counterclaim against Holiday alleging breach of contract. The parties resolved this matter with no payment made by Holiday. The litigation was dismissed with prejudice on August 28, 2018.

NSD Hotel Associates, LLC v. MBA Architects, Inc. & Liberty International Underwriters, Inc. v. Galileo Consulting Group, LLC & Six Continents Hotels, Inc., State of Wisconsin, Circuit Court, La Crosse, Case No. 16-cv-597 (September 22, 2017).

On September 22, 2017, MBA Architects, Inc. filed a third -party complaint against SCH in an existing lawsuit brought against MBA Architects by the licensee of a Candlewood Suites hotel in La Crosse, Wisconsin. In the underlying lawsuit, the licensee alleged claims for negligence and breach of contract against MBA Architects related to architectural design services provided in the construction of the hotel. MBA Architects alleges that if it is deemed liable to Plaintiff, SCH should be liable to MBA Architects on a theory of contribution or indemnification. The parties resolved this matter with no payment by SCH. This matter was dismissed with prejudice on August 27, 2018.

Holiday Hospitality Franchising, LLC v. Essag Canada and Eshri Singh, State Court, DeKalb County, GA, Civil Action File No.: 17A64721-1 (June 2, 2017).

On June 2, 2017, Holiday filed a lawsuit against the defendants seeking damages related to the termination of a Holiday Inn hotel license agreement. In response, defendants filed a counterclaim against Holiday alleging breach of the duty of good faith and reasonableness. The parties resolved this matter with no payment made by Holiday. The litigation was dismissed with prejudice on February 23, 2018.

Holiday Hospitality Franchising, LLC v. Khan Hospitality, Inc., Reza Hussain a/k/a Mohammad R. Hussain, Asrar Khan, Baby Hussain Khan a/k/a Baby Hussain, Ripen Khan, Rowan Akther a/k/a Roshan Akther, and Mona Khan a/k/a Mona Shahnaz, United States District Court, Northern District of Georgia, Civil Action File No. 1:16-CV-3339-SCJ (June 20, 2016).

In response to a lawsuit filed by Holiday on June 20, 2016 seeking damages related to the termination of a Holiday Inn Express hotel license agreement, defendants filed a counterclaim on September 8, 2016 against Holiday alleging bad faith and seeking attorneys' fees. The parties resolved this matter with no payment made by Holiday. The litigation was dismissed with prejudice on October 5, 2017.

Jay Z. Dalwadi and Jay Shree Kapi Hospitality Franchising, LLC v. Holiday Hospitality Franchising, Inc., United States District Court, Southern District of Texas, Case No. 4:16-cv-02588 (August 24, 2016).

On August 24, 2016, former licensee Jay Shree Kapi Hospitality Franchising and former guarantor Jay Z. Dalwadi filed suit against Holiday Hospitality Franchising, LLC. The suit alleged breach of contract, breach of the implied covenant of good faith and fair dealing, and fraud based upon Holiday's alleged failure to approve an application for relicensing of a Holiday Inn Express & Suites hotel. On July 5, 2017, the Court granted Holiday's motion to dismiss the complaint and dismissed the complaint with prejudice. Defendants appealed the ruling. The parties resolved this matter with no payment made by Holiday. The appeal was dismissed with prejudice on October 31, 2017.

Hospitality Marketing Concepts, Inc. v. Six Continents Hotels, Inc. & InterContinental Hotels Group, PLC, United States District Court, Central District of California, Southern Division, Civil Action No. 8:15-cv-01791 (November 2, 2015).

On June 12, 2015, Hospitality Marketing Concepts, Inc. ("HMC") filed suit against "InterContinental Hotels Group" in California Superior Court. Following an amended complaint and voluntary dismissal, HMC filed a new action in California federal court on November 2, 2015 against Six Continents Hotels, Inc. and InterContinental Hotels Group, PLC alleging breach of oral contracts, fraud, fraudulent inducement, breach of fiduciary duty, and unfair business practices related to a dining rewards program previously in existence in hotels outside the United States. On January 28, 2016, the court partially granted SCH's motion to dismiss, but gave HMC leave to amend its complaint. On March 4, 2016, HMC filed an amended complaint re-alleging the same claims. Following a partially successful motion to dismiss, SCH was the only remaining defendant and the remaining claims were breach of oral contract, fraud, and unfair business practices. Following a partially successfully motion for summary judgment by SCH, the parties resolved this matter with SCH making a payment of $699,000 to HMC. The litigation was dismissed with prejudice on December 14, 2017.

TCBH, Inc. v. Holiday Hospitality Franchising, Inc., United States District Court, District of Minnesota, Civil Action No. 12-CV-2813 SRN/TNL (November 5, 2012).

An existing Holiday Inn licensee in Eagan, Minnesota filed suit against Holiday on November 5, 2012 alleging breach of contract, violation of the Minnesota Franchise Act and seeking an injunction to prevent the termination of the license agreement for licensee's failure to complete the property improvement plan in a timely manner. The parties resolved this matter with no payment made by Holiday. The litigation was dismissed without prejudice on November 2, 2015.

Holiday Hospitality Franchising, LLC v. 360 Global Venture Group, LLC, Ajay P. Shingal, and Mira Shingal, State Court of DeKalb County, Georgia, Civil Action No. 13A49466-3 (November 18, 2013).

On November 18, 2013, Holiday filed a lawsuit against the defendants seeking damages related to the termination of a Holiday Inn hotel license agreement. In response, defendants filed a counterclaim against Holiday alleging breach of contract. The parties resolved this matter with no payment made by Holiday. The litigation was dismissed without prejudice on May 26, 2015.

Holiday Hospitality Franchising, LLC, f/k/a Holiday Hospitality Franchising, Inc. v. 404980 Alberta, Ltd., Sadnidin S.D. Suleman, Kariama Suleman, and Shahsultan Suleman, U.S. District Court, Northern District of Georgia, Atlanta Division, Civil Action File No. 1:16-CV-01773-CAP (June 1, 2016).

On June 1, 2016, Holiday filed a complaint in Georgia against 404980 Alberta, Ltd., a former Holiday Inn licensee and guarantors Sadnidin S. D. Suleman, Karima Suleman and Shahsultan Suleman to recover unpaid system fees and liquidated damages from the former licensee (the "Georgia Matter"). In response to Holiday's suit, defendants filed a separate action in Alberta on December 22, 2016, styled 404980 Alberta Ltd. and Karima Suleman v. Holiday Hospitality Franchising, Inc. and Holiday Hospitality Franchising, LLC, Court of Queen's Bench of Alberta, Calgary, Court File No. 1601-17271 (the "Alberta Matter"). There, the former licensee and guarantors sought a declaratory judgment under the Alberta Limitations Act and Guarantees Acknowledgement Act. Both matters were resolved with no payment by Holiday. The Georgia Matter was dismissed with prejudice on April 20, 2017. The Alberta Matter was discontinued on April 19, 2017.

Laura McCabe and Latroya Simpson v. Six Continents Hotels, Inc., United States District Court, Northern District of California, San Francisco Division, Case No. 3:12-cv-04818 (July 3, 2012).

On July 3, 2012, two plaintiffs filed a class action complaint alleging violations of California Penal Code 632.7, based upon the alleged improper recording of cellular phone calls originating from California to customer care centers. Plaintiffs amended the complaint twice, first to include Six Continents Hotels, Inc. as a defendant, and later to allege improper recordings at additional customer care centers. The case was removed to Federal Court and SCH filed motions to dismiss the complaint, which were denied. SCH filed an answer to the original complaint on January 9, 2013 and filed an answer to the amended complaint on February 18, 2014. Following discovery and mediation, the parties reached a preliminary agreement to resolve this matter. On February 4, 2015 the parties filed a Notice of Settlement and Request to Vacate Calendar Dates. Following a hearing on February 3, 2016, the Court issued an Order and Judgment approving the parties' settlement. This matter was dismissed with prejudice on February 8, 2016.

The Generation Companies, LLC v. Holiday Hospitality Franchising, LLC and InterContinental Hotels Group Resources, Inc., United States District Court, Eastern District of North Carolina, Civil Action No. 5:15-cv-220, transferred to United States District Court, Northern District of Georgia, Civil Action No. 1:15-cv-4052-LMM (April 20, 2015).

On April 20, 2015, a licensee of a Staybridge Suites® hotel filed suit against Holiday and InterContinental Hotels Group Resources, Inc., and alleged that defendants intentionally interfered with contractual relations, committed slander, and violated North Carolina's Unfair and Deceptive Trade Practices Act. Plaintiffs sought compensatory damages and unspecified punitive damages. The parties resolved this matter with no money paid by defendants and the lawsuit was dismissed with prejudice on January 6, 2016.

Jesta Hospitality CT, LLC v. Holiday Hospitality Franchising, LLC, Superior Court of Dekalb County, Georgia, Civil Action File No. 16cv5092-1 (May 26, 2016).

A former licensee of a Crowne Plaza® hotel filed suit against Holiday alleging breach of contract, breach of the implied duty of good faith and fair dealing, promissory estoppel, and seeking a

declaratory judgment. Holiday filed a counterclaim seeking damages related to its termination of the license agreement and seeking unpaid fees. This matter was resolved with no payment by Holiday and dismissed with prejudice on December 27, 2016.

Ahijit Vasani a/k/a Andy Vasani, Bhavna Vasani a/k/a Becky Vasani, Innvite Hospitality Group, LLC v. Holiday Hospitality Franchising, LLC and Six Continents Hotels, Inc. d/b/a Intercontinental Hotel Group, Northern District of Georgia, Case No. 1:24-cv-03498-LMM (August 7, 2024).

Plaintiffs or entities associated with them purchased a Holiday Inn Express branded hotel in 2018. Plaintiffs claim that, in connection with the sale process related to the Hotel, they were misled into believing the scope of work required by the change of ownership license agreement for the hotel would be lighter in scope and less expensive than what it turned out to be. On July 17, 2023, Plaintiffs filed an initial complaint against Holiday and others in the Court of Common Pleas, Lucas County, Ohio, asserting claims for breach of contract, promissory estoppel, unjust enrichment, fraud, and civil conspiracy and seeking compensatory and punitive damages, costs and attorneys' fees. The plaintiffs filed an amended complaint on October 12, 2023, which asserted the same claims against Holiday and sought the same relief as the initial complaint. On February 2, 2023, Holiday filed a motion to transfer for venue and motion to dismiss for failure to state a claim. On December 28, 2023, the Ohio court entered an order holding that the forum selection clause in the Holiday Inn Express license agreement required the case to be adjudicated in Georgia, and stayed the proceeding for sixty days to allow the plaintiffs to recommence the case in Georgia, ordering them to inform the Court when they did so. Holiday's motion to dismiss for failure to state a claim was held in abeyance for the same 60 day period. The plaintiffs filed a notice of appeal of the trial court's December 28, 2023 order on January 26, 2024. The plaintiffs then dismissed their appeal on August 23, 2024, and filed their complaint against Holiday and SCH in the Northern District of Georgia on August 7, 2024, seeking the same relief and asserting the same claims as before, except that they omitted the civil conspiracy claim from this latest complaint. Holiday moved to dismiss the Northern District of Georgia complaint on August 30, 2024, and that motion is now fully briefed. Holiday believes that the claims asserted in the case, lack merit. The court granted the motion to dismiss on March 20, 2025 and dismissed the case in its entirety.

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

All fees are fully earned when received and are not refundable, except as stated otherwise below. The Initial Fees described in this Item 5 reflect the current standard initial fees and while usually applied uniformly, Holiday may elect to reduce a fee after considering criteria, including the number of hotels in the Brand System operated by a licensee or the market position of the hotel. In limited circumstances, Holiday may negotiate or waive some of the Initial Fees described here, but Holiday is not obligated to do so.

APPLICATION FEE:

When you submit an application for a voco hotels License – whether for a new development, conversion, change of ownership, or re-licensing – you must pay Holiday an initial application fee (the "Application Fee") of $500 per guest room, but not less than $75,000.

If Holiday does not approve your application for a License, or if you withdraw the application before Holiday approves or denies it, Holiday will return the Application Fee to you, less $15,000 to cover costs for evaluating your application. If Holiday approves the application subject to certain

requirements, Holiday may revoke its approval if you fail to meet those requirements. Once Holiday approves the application (even if Holiday subsequently revokes its approval), the Application Fee is nonrefundable. If you and Holiday agree to add any guest rooms to the Hotel, then you must pay to Holiday a non-refundable Room Addition Fee of $500 for each new approved guest room.

See Item 6 for information relating to the requirements and fees for changes of ownership, licensee name changes, realignment of the licensee's ownership and re-licensing.

PROPERTY IMPROVEMENT PLAN ("PIP"):

Before you submit an application for a conversion, change of ownership, re-licensing or brand change, you must arrange for Holiday to conduct an inspection of the Hotel so that Holiday can prepare a PIP that contains the written specifications for the upgrading, construction and furnishing of the Hotel in accordance with the then-current Standards. There is a nonrefundable $10,000 fee for the inspection of your Hotel and preparation of a PIP (see Item 6) due at the time the PIP is prepared. In the case of a conversion, Holiday will not authorize your Hotel to open until you complete all PIP requirements, including submission of plans before the start of construction in accordance with the dates specified in your License and the attachments to your License (see Item 11). In the event the Hotel fails its opening inspection or if an extension of the PIP milestone dates is required, Holiday may charge you up to $5,000, plus expenses, for each extension, re-evaluation and re-inspection.

PRE-OPENING SUPPORT:

The Openings program provides services and support required to open a hotel in the Brand System, including Key Programs Training, pre- and post-opening support and other pre-opening consultations. The related Preopening Support Fee is $8,500 and covers support from license execution to hotel opening provided by the Hotel Lifecycle + Growth organization (included but not limited to Franchise Openings, Plan Review, Construction).

During the hotel opening process, you may be required to pay additional fees for pre-and post-opening consultations and inspections conducted by Holiday or designated representatives. These additional fees that are payable to SCH and are associated with on-site visits, rescheduling of those visits or extensions of your hotel's opening date, will not exceed $5,000 per visit and you must also pay for the expenses of such representatives' travel, living and lodging expenses while conducting the visit.

You must use Architects and Interior Design firms approved by Holiday for the build-out of your voco® Hotel. To be approved by Holiday, such architects and interior design firms must demonstrate premium/luxury hospitality experience with a minimum of 3 to 5 completed projects in the past five (5) years. Failure to engage a Holiday approved designer may result in a $25,000 fee for such noncompliance with this Standard. Prior to your architect and/or design firm beginning detailed construction and design plans, your design and construction team must: attend a Design Immersion Session for training on the brand hallmarks, design philosophy and PIP/Plan Review process. You must pay your travel, lodging and other miscellaneous expenses for these mandatory programs. Before any construction or design begins, you must meet with your Openings Regional Director and submit preliminary plans to Holiday for comment and approval. There is an expectation that you, and your general contractor must attend a kick-off meeting in Atlanta, Georgia, or other locations that Holiday may designate. There are no fees for the kick-off meeting; however, you must pay for your travel, lodging and miscellaneous expenses.

TRAINING, EQUIPMENT AND MATERIALS:

Training and Materials:

Your General Manager and front office staff must have access to IHG Concerto and complete necessary web-based training including: Get to know IHG Concerto, IHG Concerto Home Page Overview, and Digital Check-In Training.

Your General Manager and the individuals designated as the system experts for your Hotel must attend the RAMP UP: Pricing, Activating and Fueling New Hotels training program (the "RAMP Up Program"). The RAMP UP Program is an instructor-led training class that provides basic instruction on IHG Concerto, the reservation process and revenue management. There are no additional fees for your General Manager and the other individuals designated as your Hotel's system experts to attend the program. Participants from all hotels are responsible for their own expenses for travel, meals and lodging if they attend the program in person.

The IHG Learning Program, also known as IHG University, is a learner-centric approach designed to promote a positive culture of learning. Each Hotel must participate in the IHG University Program. The 2025 annual subscription fee for voco hotels is $5,500. The 2025 annual subscription fee for voco hotels will be prorated based on the month that your Hotel opens. In the event additional onsite training is required at the hotel, additional costs may be incurred which currently range from $1,500-$6,000 depending on the scope of additional learning needs for the hotel.

Learning is categorized as "core," "value-add," and "specialist" learning based on a tiered approach to learner development, where each tier builds on the knowledge learned from the previous one. Learning categorized as "core" is included within the subscription model and includes critical learning designed to effectively onboard team members, support the operational needs of a hotel, and comply with brand standards to deliver a branded guest experience. "Value-add" and "specialist" learning are designed to enhance and elevate hotel and individual performance and are available at an additional charge. Any such additional charges are subject to change.

Your General Manager, Front Office Manager, Director of Sales, Executive Housekeeper, F&B colleagues, and Hotel Experience Champion (or their equivalent roles) must each complete initial certification training. All required core certification training is included in the annual subscription for IHG University. For in-person classes, you must pay for trainees' travel expenses or any training expenses incurred from any optional or supplemental courses that your trainees attend. You may be required to purchase subsequent training materials.

Your General Manager and Hotel Experience Champion must each complete the Leading the Brand Training for New Hotels certification before the hotel opening. The cost for the training event is included in the annual subscription for IHG University. You may be required to purchase subsequent training materials to fulfill the ongoing training of new employees.

If you are required to purchase subsequent training materials for any of the aforementioned training programs or any of the training programs described in Item 11, Holiday estimates that such subsequent training materials will cost no more than a total of $5,000 per hotel for all trainees combined.

Technology Equipment:

For Hotels with more than 150 rooms, SCH currently designates Oracle America, Inc. ("Oracle") as the Property Management System ("PMS") provider and requires you to operate on the

premise-based Opera or Opera Xpress PMS software (see Items 1, 5, 6, 7, 8 and 11). The estimated costs for the equipment configuration, installation, software and training will vary depending on the number of guest rooms and technology needs at your Hotel. Holiday estimates that the cost for the premise-based PMS installation and the purchase of required hardware devices (i.e., workstations and printers) will range from $67,000 to $75,000 for a hotel with 1-100 rooms; $73,000 to $90,000 for a hotel with 101-175 rooms; $88,000 to $123,000 for a hotel with 176-250 rooms; $126,000 to $158,000 for a hotel with 251-350 rooms; and $176,000 or greater for a hotel with 351 rooms or more.

For Hotels with fewer than 150 rooms, SCH currently provides the option for you to operate on Oracle's Premise-Based Opera PMS or the new Cloud-Based Property Management System provided by HotelKey ("Cloud PMS"). As of the date of this disclosure document, HotelKey is the only approved Cloud PMS provider (see Items 1,5,6,7,8 and 11), but in the future SCH may offer additional cloud-based PMS providers. All new hotels, conversions and relicensing hotels must use the Cloud PMS. Existing hotels which are due for software/hardware refresh must also move to the Cloud PMS. The Cloud PMS has a straightforward pricing structure, consisting of two monthly fees (a PMS Solution Fee and an Implementation Fee (during the initial 48 months)). Payment of these fees must be made directly to SCH. Holiday estimates the cost for the Cloud PMS to be $22,000 to $26,000 for a hotel with 1-100 rooms and $24,000 to $29,000 for a hotel with 101-150 rooms. In the future, SCH may designate Cloud PMS for all Hotels through HotelKey or other SCH approved cloud-based PMS providers.

Once available, all new hotels, conversions and renovation properties must have their Property Management System (PMS) in an SCH-approved cloud facility.

All Hotels will require a custom quote at the time the deployment process begins to better determine estimated costs. You must pay these costs before any goods or services are delivered to the Hotel. These cost estimates include: the basic hardware for the PMS and access to the Reservation System, the basic software, the installation of equipment and software, initial training for your employees on how to use the PMS (including Cloud PMS) with the Reservation System, and the purchase, installation of and training for the NGP, or such successor payments program as may be implemented by SCH, equipment and software. These estimated costs do not include other training, additional equipment, additional software, additional operational manuals, shipping and handling, taxes, insurance, or food, travel or lodging expenses of your employees, vendor employees, SCH employees or contractors who install the PMS and Reservation System equipment and software at your Hotel and train your employees to use them or the cost of internal Hotel cabling or infrastructure. SCH requires that you refresh PMS hardware/software every 48 months.

voco® Hotels R&B Concept Development:

Developing a unique Restaurant and Bar (R&B) concept is your responsibility and your concept must be approved by Holiday. If you will be managing a restaurant independently (i.e., you do not engage a third -party R&B manager to operate your Hotel's restaurant), you must pay SCH an R&B Concept Development Fee (which may be up to $125,000 (which varies depending on your individual needs and management company capabilities). This fee would typically include the following: overall concept development including a concept description, target demographics, description of look/feel/ambience, cuisine program/spectrum, beverage program/spectrum, tabletop design and selection. Additionally, this fee may include food and beverage menu ideation, food and cocktail recipe development, operations tools and opening and training support as needed.

voco® Hotels R&B Brand Identity Services & Market Research Study:

All voco® Hotels must use the R&B Brand Identity Services and receive a Market Research Study. Brand Identity Services typically include naming, logo development and creation of collateral (including menus, coaster, business cards, ephemera development), which is to be professionally created. Additionally, this may include tabletop suggestions and specifications; uniform suggestions and specifications; and, OS&E suggestions and specifications. A Market Research Study is required to determine the best fit and initial direction for your Hotel's restaurant based on, though not limited to, location, size and local competition. These costs will range from $15,000 to $40,000.

Holiday may consider requests to alter the requirements described in this Item. Holiday will only consider changes under special circumstances and any changes must comply with applicable laws.

Unless otherwise specifically noted above, all initial fees are payable (in full) before your Hotel opening, are fully earned when paid and are not refundable under any circumstances.

ITEM 6
OTHER FEES

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty			
Royalty	5% of Gross Rooms Revenue ("GRR")	Monthly, payable on the 15th of the following month (Payable to Holiday)	Note 1
Royalty in case of Casualty	2% of GRR based on average GRR for preceding 12 months.	Monthly, payable on the 15th of the following month (Payable to Holiday)	Note 1
Sales and Marketing			
Services Contribution	3.5% of GRR	Monthly on the 15th of the following month (Payable to Holiday)	Note 2
Initial Marketing Contribution for the Loyalty Program	$10.00 per approved guest room.	At same time as 1st Royalty Payment (1 time Charge) (Payable to SCH)	Note 3
Loyalty Program Contribution	4.55% of Qualifying Full Folio Revenue from Loyalty Program members 1.365% of Qualifying Room and Meeting Revenue from Loyalty Program members.	Monthly, payable on the 15th of the following month (Payable to SCH)	Note 3

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
Local Marketing Programs	Varies depending on actual cost	Varies (Payable to Holiday or 3rd party engaged by Licensee)	Note 3
Promotions; required and optional advertising materials		On request (Payable to Holiday)	Note 3
Capital Reserve	Up to 5% of Gross Revenue (see Paragraph 13.O of the License).	Monthly (If Required by Holiday)	Note 4
Third Party Distribution Connection Fees:			
IHG Commission Services ("ICS") (Travel Agent Commissions)	10% (minimum) commission on total room rate.	Monthly (Payable to SCH)	Note 5
IHG Ignite Digital Marketing Fees	2.25% commission on all consumed direct digital revenue booked.	Monthly (Payable to SCH or intermediary)	Note 5
TMC (formerly known as BTA) Revenue Program	Hotels pay an override fee of 2.25% on qualifying consumed room nights only, with a maximum annual payment of $20,000 USD (or equivalent local currency).	Monthly (Payable to SCH)	Note 5
GDS Fees	$6.40 per reservation	Monthly	GDS Fees
IHG Business Edge Program Booking Fees	4% of consumed transient revenue booked through the IHG Business Edge Program	Monthly (Payable to SCH)	Note 5
Groups & Meetings Fee	4% of consumed or presumed/agreed room revenue for leads sent to hotels via IHG MeetingBroker.	Monthly (Payable to SCH)	Note 5
Groups & Meetings TMC Fee	2% globally for BCD M&E, CWT M&E and AMEX GBT. G&M TMC Revenue Programs are pay-for-performance marketing programs designed by SCH	Monthly (Payable to SCH)	Note 5

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
Technology			
Technology Services Fee	$17.40 per room, per month.	Monthly (Payable to SCH)	Note 6
PMS Software Maintenance:	The following are estimates for SCH approved PMS solutions and do not include items which may be reflected in your Hotel's contract with the PMS provider. Maintenance fees may be increased up to 5% per year. Costs will vary according to your technology needs.	Annually (Payable to Oracle America, Inc.)	Note 7 & Item 11
Opera – Premise Based (150+ rooms)	$17.60 per room, per year for Opera V5 Software Support. $2.86 per room, per year for Oracle Technology Foundation Support. $9.24 per interface, per year, within bundle for IFC8 Interfaces Annual Support. $440.00 per interface, per year, out of bundle for IFC8 Interfaces Annual Support. $0.09 per interface, per year for OXI 2-Way – IHG Concerto Support. $0.00 per room, per year for Opera Commission Handling Support. $0.03 each, for Opera Back Office Interface Support. $0.02 each, for Opera Export Files Support. $1.65 per room, per year for Opera Web		

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
	Services Support (OWS). $110.00 per interface, per year for EFT Interface Support (NGP). $0.09 per interface, per year for OXI – IHGWS – LARs Functionality Support. $6.60 per room, per year for OPERA multi-property Cross Reservation Support An approved PMS Interface is required to support digital guest experience (IHG EDGE).		
Opera Xpress – Premise Based (150+ rooms)	$11.88 per room, per year for Opera Xpress V5 Software Support. $2.42 per room, per year for Oracle Technology Foundation Support. $9.24 per interface, per year, within bundle for IFC8 Interfaces Annual Support. $220.00 per interface, per year, out of bundle for IFC8 Interfaces Annual Support. $0.09 per interface, per year for OXI 2-Way – IHG Concerto™ Support. $0.00 per room, per year for Opera Commission Handling Support. $0.03 each, for Opera Back Office Interface Support. $0.02 each, for Opera Export Files Support.	Opera Xpress – Premise Based (150+ rooms)	$11.88 per room, per year for Opera Xpress V5 Software Support. $2.42 per room, per year for Oracle Technology Foundation Support. $9.24 per interface, per year, within bundle for IFC8 Interfaces Annual Support. $220.00 per interface, per year, out of bundle for IFC8 Interfaces Annual Support. $0.09 per interface, per year for OXI 2-Way – IHG Concerto™ Support. $0.00 per room, per year for Opera

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
	$1.65 per room, per year for Opera Web Services Support (OWS). $110.00 per interface, per year for eSocketPOS Interface Support (NGP). $0.09 per interface, per year for OXI – IHGWS – LARs Functionality Support. $6.60 per room, per year for OPERA Multi-property Cross Reservation Support An approved PMS Interface (currently Bellinta) is required to support digital guest experience (IHG EDGE).		Commission Handling Support. $0.03 each, for Opera Back Office Interface Support. $0.02 each, for Opera Export Files Support. $1.65 per room, per year for Opera Web Services Support (OWS). $110.00 per interface, per year for eSocketPOS Interface Support (NGP). $0.09 per interface, per year for OXI – IHGWS – LARs Functionality Support. $6.60 per room, per year for OPERA Multi-property Cross Reservation Support An approved PMS Interface (currently Bellinta) is required to support digital guest experience (IHG EDGE).
Cloud PMS Solutions Fee	$4.25 per room; per month	Monthly (Payable to SCH)	Note 7
Cloud PMS Implementation Fee	$70.00 per month for the first 48 months of operation of the Hotel.	Monthly (Payable to SCH)	Note 7
FastConnect SD-WAN And Access Control Manager	$168.00 – $300 for 6 devices and 10 users; plus $22.00 per	Monthly (Payable to AT&T)	Note 7

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
	additional device and $1.25 per additional use		
NextGen Payments ("NGP") Program Fee (includes support, installation and hardware)	$280-800 (exact amount will be defined on hotel quote)	Monthly	Note 7
Guest Internet Access ("GIA") – Bandwidth Service Subscription (IHG Connect)	$500 to $2,500 monthly Pricing is estimated and varies based on vendor and circuit size selected. All circuits must meet IHG Brand Standards for Bandwidth.	Monthly (Payable to SCH for "Direct" model or to bandwidth provider for "Contracted Commercial" model)	Note 7
Guest Internet Access – Hardware Maintenance & Guest Support (IHG Connect)	$1.50 per guest room per month. $25.00 per meeting / conference room, plus $20.00 per 2000 sq. ft. of total meeting space, maximum of $500.00 (meeting room support fees only apply if total meeting space exceeds 2000 sq. ft.) $1,452 is the estimated cost of four access points per 100 guest conference space capacity (one-time charge) SCH approved GIA hardware would need to be purchased from and installed by an SCH approved integrator.	Monthly (Payable to SCH approved Integrator)	Note 7
Guest In-Room Entertainment– Hardware, Maintenance, Guest Support, & Content	$3.75 per room, per month for software, maintenance, and $1.00 per room, per month for guest support $7.20 per room, per month for content. $1.25 per room, per month for HBO (where required)	Monthly (Payable to SCH or approved Integrator)	Note 7

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
	$1.00 per room, per month for non-recurring maintenance and support fees		
Employee Safety Devices	Initial fee of $125-$150 per room in the first year of installation plus $20.00 to $25.00 per room, per year for software and maintenance support	Annually (Payable to SCH approved Supplier)	Note 7
Security Software for Public Access Computers (Business Centers)	$495.00 to $525.00 per workstation, per year for software, maintenance, and guest support $315.00 to $399.00 per printer, per year for the "optional" mobile printing feature	Monthly (Payable to SCH or an approved supplier)	Note 7
F&B POS Support	$45 per workstation per month	Monthly (Payable to an approved supplier)	Note 7
Revenue Management System: IHG Concerto, Yielding & Price Optimization; or Revenue Analytics' N2 Pricing	Costs of between $30 and $120 may apply for competitive rate insight shopping. For hotels currently subscribing to a RevenueStrategy360, these costs may be waived.	Monthly (Payable to SCH)	Note 8 & Item 11
Fees for Extensions of Construction Commencement ("CC"):			
New Development or Conversions (Extensions >6 but less than or equal to 12 months from CC date included in original license)	$10,000	With extension request (Payable to Holiday)	Note 10 & Item 11
New Development or Conversions (Extensions resulting in a CC date that is >12 months from the CC date included in original license)	50% of Application Fee	With extension request (Payable to Holiday)	Note 10 & Item 11
Room Additions (6-month extension)	50% of original room addition Application Fee.	With extension request (Payable to Holiday)	Note 10 & Item 11

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
Miscellaneous			
Tax on Sales/Gross Receipts	Holiday's actual cost.	Upon notice from Holiday	Note 9
Standard Fee for Room Additions	$500 for each new approved guest room or suite.	With the room addition application (Payable to Holiday)	Note 11
Public Offering or Private Placement Processing Fee	$25,000 plus additional costs incurred by Holiday.	When you or any of your owners submits request for approval of private placement or public offering (Payable to Holiday)	Note 12
Audit/Interest	Amount of deficiency, interest and $3,000 (audit fee may be increased on a Brand System-wide basis).	Upon notice from Holiday	Note 13
Re-licensing Fee or Change of Ownership Application Fee	$500 per guest room but not less than $100,000. See Item 5.	Due with re-licensing application (Payable to Holiday)	Note 14 & Item 5
Realignment/name change; brand conversion processing fee	$5,000 for licensee name change, ownership realignment or brand conversion.	Due upon realignment, name change or brand conversion, if approved (Payable to Holiday)	Note 14
Indemnification	Varies	Upon demand	Note 15
Liquidated Damages Payment on premature termination before Holiday authorizes you to use the system at the Hotel (includes termination resulting from failure to perform the construction, upgrading and renovation work described in the License) (see License, Par. 13.J)	A lump sum equal to the monthly average of all amounts that would have been payable to Holiday under paragraphs 3.B(3) through (6) of the License assuming the Hotel had collected GRR based on the average daily revenue per available room for all "mature hotels" in the Brand System in the United States for the previous twelve months, multiplied by the greater of (a) 6 or (b) the number of full and partial months from the Effective Date to the	Promptly upon Termination (Payable to Holiday)	Note 1, Item 17 f., g., h and Note 3 to Item 17

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
	termination date of the License.		
Liquidated Damages Payment on premature termination after Holiday authorizes you to use the Brand System at the Hotel (applicable only if License terminates before expiration, in accordance with License) (see License, Par. 11.B and/or Par. 11.C)	An amount equal to the total amounts required under License paragraphs 3.B(3) through (6) during the 60 calendar months of operation preceding the termination or during the preceding number of months equal to the unexpired License Term at the time of termination (if less than 60 months); or if the Hotel has not been in operation in the Brand System for 60 months, an amount equal to the greater of (i) 60 times the monthly average of these amounts for the period during which the Hotel has been in operation in the Brand System, or (ii) 60 times these amounts as are due for the one month preceding the termination.	Promptly upon Termination (Payable to Holiday)	Item 17f, g., h. and i. and Note 4 to Item 17.
Comfort Letter Processing Fee	$2,500 for the preparation and processing of any mezzanine, replacement or subsequent comfort letters after the initial senior lender letter.	Upon Demand (Payable to Holiday)	IHG may waive this fee in its sole discretion.
Operations			
PIP/Soft Goods or Case Goods Renovation inspection/preparation fee	Up to $10,000 for a PIP (and $5,000 for a re-inspection)	Before application, or upon request for PIP (Payable to Holiday)	See Item 5
Plan and/or FF&E Extensions and Defaults	Up to $5,000	Upon request due to extension and/or default (Payable to Holiday)	See Item 8

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
PIP Extensions and Defaults and Extension Travel	Up to $5,000	Upon request due to extension and/or default (Payable to Holiday)	See Note 16
Non-Compliance with Soft Goods and Case Goods Renovation Requirements	Up to $10,000	Upon request due to extension and/or default (Payable to Holiday)	See Note 16
Quality Programs for failure, default, non-compliance or terminations status	Escalating assessment of up to $7,500	Before follow up inspection and/or special inspection (Payable to Holiday)	Note 16
"The Operator's View" (TOV)	Escalating assessment of up to $2,500	Upon notice (Payable in monthly installments to Holiday)	Note 16
Corrective Action Plan (CAP), or Hotels that fall below the Reputable guest satisfaction threshold	Escalating assessment of up to $13,500	Upon notice (Payable in monthly installments to Holiday)	Note 16
IHG Voice Reservation Service	$7.65 per net booking, which may be changed once annually. All hotels must sign up and actively use this service for all room reservations. A commission of 10% may be applied to hotels who transfer hotel-direct calls to public IHG CRO toll-free numbers.	Monthly (Payable to SCH)	Note 17
IHG Revenue Services and IHG Commercial Services	$3,300-$11,000 per month depending on total Hotel room count and annual occupancy. (These fees apply until December 31, 2025, after which they may change.) Plus, one time Registration Fee of $800	Monthly (Payable to SCH)	Note 18

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
	Plus, out of pocket travel expenses for SCH personnel.		
Guest Relations Fees	Quality and Service contacts from Hotels will be handled by Guest Relations in the 'One Contact Resolution' process. Hotels will be charged a case management fee of $150 per incident, plus the compensation amount of no greater than one night's room and tax. Non Service and Quality cases (such as billing or reservations issues) that are not resolved within 48 hours by the Hotel will be handled by Guest Relations with a case management fee of $150 per incident.	On request (Payable to Holiday)	Note 19
Pre-Opening Training and Consultation			
Pre-Opening Training Plan-Executive Briefing (Consulting & Support)	$500 per day.	Upon registration (Payable to Holiday)	Item 11
Pre-Opening Training-Manager Orientation and Department Training Planning	$1,500 a day per trainer.	Upon registration (Payable to Holiday)	Item 11
Pre-Opening Training Part II-Hotel Orientation Center of Excellence Opening Support Team	$640-1,500 per day per trainer/task force member.	Upon registration (Payable to Holiday)	Item 11
IHG University Program: Core Subscription/Value-Add and Specialist Training	Learning categorized as core is included within the subscription model and includes critical learning designed to effectively onboard	Core Subscription fee is payable annually within 30 days from Holiday's invoice. Value-add and specialist learning billed upon attending.	Item 11

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
	team members, support the operational needs of a hotel, and comply with brand standards to deliver a branded guest experience. The cost is $5,500/yr for voco hotels. Prorated based on month your Hotel opens. For in-person classes you must pay trainees' travel and optional/supplemental training expenses. Hotels should allocate annual pre-determined amounts per full-time employee for optional value-add and specialist courses: Managers/Department Heads - $650; Assistant Managers/Supervisors - $450; Frontline colleagues - $250.	(Payable to Holiday)	
Subsequent Training Materials	$0 - $5,000 per hotel for all trainees combined	As incurred (Payable to Holiday/SCH)	You may be required to purchase subsequent training materials to fulfill the ongoing training of new employees.
IHG One Rewards Measured Standards	Hotels are assessed for non-compliance to the measured loyalty standards as follows, Hotels with 300 rooms or less: • Fail first quarter = Cure (no assessment) • Fail second quarter = Assess $1,000 • Fail third quarter = Assess $2,000 • Fail fourth quarter = Assess $3,000	Quarterly Assessment appears on Invoice (Payable to SCH)	Note 20

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
	• Capped at $3,000 per quarter. Hotels with more than 300 rooms: • Fail first quarter = Cure (no assessment) • Fail second quarter = Assess $1,000 • Fail third quarter = Assess $2,500 • Fail fourth quarter = Assess $5,000 • Capped at $5,000 per quarter		
Employee Engagement Survey	$7 to $12 per employee each year.	Annually (payable to designated third party provider)	Note 21
IHG Premium Investors and Leadership Conference	Up to $2,500 per attendee, not including travel, lodging or other expenses.	Invoiced at time of registration (Payable to SCH)	Note 22

Note 1: Payments, Gross Rooms Revenue. Holiday can require you to make any payments due to Holiday to its parents, affiliates, subsidiaries or other designees. For example, many charges and fees shown on the table above are currently payable to SCH. Unless otherwise stated, all charges and fees on the table above are nonrefundable and uniformly applied to new Brand System licensees; however, in instances that Holiday considers appropriate, Holiday may waive some or all of these fees. The fees set forth in this Item 6 represent Holiday's current fees, but are subject to change as Holiday, its parents, affiliates, subsidiaries and/or other designees may amend from time to time; at all times you are responsible for the then-current fees imposed.

"GRR or "Gross Rooms Revenue" means the gross revenue and receipts of every kind attributable to or payable for rental of guest rooms/suites at the Hotel including, but not limited to, no-show revenue, early departure or late check-out fees, attrition or cancellation fees, any mandatory fee or surcharge charged to all or substantially all guests renting a room (including resort fees, although inclusion of such fees or surcharges does not constitute approval by Holiday of such fees and surcharges, which may be limited or prohibited) any awards, judgments or settlements representing payment for loss of room sales and any other revenues allocable to rooms revenue under the Uniform System of Accounting for the Lodging Industry, Eleventh Revised Edition, 2014, as published by the American Hotel & Lodging Association Educational Institute, or any later edition, revision, or replacement that may be designated by Holiday. No deductions shall be allowed for charge backs, credit card service charges, commissions, uncollectible amounts or similar items. Charges for any item, including telephone charges, entertainment, the cost of any food and beverage items, room service or other items provided or made available to a guest as an incident of a guest room/suite rental is not considered a deduction from GRR. You will be required to sign up for IHG SmartPay to view and pay invoices. Holiday may require you to settle all outstanding obligations payable to Holiday by signing up for direct account debit through IHG SmartPay, electronic funds transfer, or any other program designated by IHG to accomplish the same purpose. Holiday may also charge royalties on revenues from

any activity that you provide at the Hotel by mutual agreement with Holiday if such activity: (i) is not offered at Brand System Hotels generally (at the time you enter into the License) and is likely to benefit significantly from, or be identified significantly with, the "voco hotels" brand name or other aspects of the Brand System; or (ii) is designed by or developed by Holiday. Certain fees paid by licensees, other than the royalties and related fees, are payable to SCH and either SCH or Holiday may collect those amounts from licensees.

For purposes of calculating the pre-opening liquidated damages set forth in paragraph 13.J of the License, "mature hotels" means hotels which were open for two full years or longer; were licensed or, alternatively, owned and/or managed by Holiday or one of its affiliates; and, were not in default of their applicable license or management agreement obligations as of the applicable date.

Royalty in case of Casualty: If your Hotel is closed because of damage due to fire or other casualty, then during the time that your Hotel is closed, you will pay to Holiday (instead of all other Brand System fees under Paragraph 3.B of the License) a royalty of 2% of GRR based on the average GRR for the 12 months preceding the date of closing. However, if your Hotel has not been operating in the Brand System for 12 months, then for this purpose the GRR will be based on the average monthly GRR for the period that the Hotel has been operating in the Brand System.

Note 2: Services Contribution: You, all other Brand System licensees and all Hotels that Holiday's affiliates own or manage must pay a Services Contribution as specified in this Item, in Item 11, and Paragraph 3.B of the License. Holiday will use these funds as it determines to develop, support and/or administer marketing, reservations and training programs. The Services Contribution cannot be used to cover the cost of maintenance, repair, modernization, renovation, or upgrading of your Hotel. Holiday and its affiliates are not responsible for any of these costs. Besides being used in developing, supporting and/or administering marketing, reservations and training programs, funds from Services Contributions will typically be invested in activities that strengthen the brand such as awareness advertising, research, and the development of new or improved services, but may also include tactical marketing initiatives more focused on short term revenue enhancement and seasonal marketing programs. The Services Contributions do not include costs which you incur in the acquisition, installation or maintenance of reservations services, equipment or training, or costs associated with seasonal enhancements such as seasonal scents, sounds, tastes or in your own marketing activities. Holiday can change The Services Contribution from time to time. Holiday may, on 30 days advance written notice, at any time during the term of your License, and from time to time, increase the Services Contribution by up to 1% of GRR. If Holiday increases the Services Contribution in this way, then Holiday cannot make another discretionary increase again for 24 months after the start of a prior increase. Holiday may increase the Services Contribution by a maximum of 2% of GRR over the term of your License.

Note 3: Loyalty Program: Your Hotel must participate in the loyalty program (the "Loyalty Program") for as long as SCH chooses to market a Loyalty Program. As of the date of this disclosure document, the Loyalty Program is marketed to consumers under the names "IHG One Rewards," and IHG Business Rewards." You must pay the Initial Marketing Contribution and Loyalty Program Contribution to SCH for the Loyalty Program. The Initial Marketing Contribution is payable only when your Hotel first enters Holiday's Brand System. SCH can change the Initial Marketing and Loyalty Program Contributions. The Loyalty Program is an incentive program that rewards members for frequent qualifying stays at all Brand System hotels (and, as described in Holiday's separate disclosure documents, for InterContinental Hotels & Resorts, Crowne Plaza, Holiday Inn, Holiday Inn Express, Holiday Inn Resort, Hotel Indigo, Staybridge Suites, Candlewood Suites, EVEN Hotels, avid hotels, Atwell Suites, Vignette Collection, and Garner hotels, as well as other hotel brands within the SCH hotel portfolio, including Kimpton Hotels & Restaurants).

The Loyalty Program includes alliances with airline and other partner loyalty programs. Through these alliances, IHG One Rewards members may choose to collect and convert their IHG One Rewards points into airline miles or partner rewards or choose to collect miles or partner rewards automatically with each stay. SCH may add or delete airlines and partners within other industries from the IHG One Rewards program.

SCH's Global Sales & Marketing department has established marketing relationships with airlines, rental car companies, banks and other types of companies, some of which include co-branding with IHG One Rewards. These alliances may produce revenue and income for SCH that do not result from any required purchases that you make.

The Loyalty Program Contribution is currently 4.55% of Qualifying Full Folio Revenue and 1.365% of Qualifying Room and Meeting Revenue. SCH can change these percentages in its sole judgment. Qualifying Full Folio Revenue includes: (a) Qualifying Room Rates (defined below), (b) charges for food and beverage, telephone, laundry and pay-per-view movies, including applicable taxes, when charged to the member's room regardless of whether a Qualifying Room Rate was paid, and (c) at the Hotel's discretion, any other items charged to the member's room not defined in the previous items (a) or (b). Property management systems certified as compatible by the SCH Information Technology department provide Full Folio Revenue data to the Loyalty Program through an automated interface.

Qualifying Room Rates include, for example: (1) non-discounted rates; (2) standard corporate rates; (3) leisure rates; (4) government rates; (5) Corporate Gold rates and worldwide sales negotiated rates; (6) conference and meeting rates; and (7) individual Hotel contract rates. If discounts on rates (6) and (7) exceed 30% of the Hotel's published rates, the Hotel may exclude the awarding of IHG One Rewards points for these discounted room rates. All negotiated group rates for business bookings are Qualifying rates. Guest rooms booked as part of a group, meeting or event block where the individual guest pays their own charges (room and incidentals) will qualify for points.

Qualifying Room and Meeting Revenue includes Hotel revenue from accommodation (room only booked on behalf of others via IHG Business Rewards) and/or Hotel revenue from rental of guest rooms, meetings, social, or catered events to include revenue from meeting room hire, food and beverage, and/or other revenue associated with the meeting or event at the hotels discretion. IHG Business Rewards points are capped at 60,000 per Qualifying event, while the Hotel has sole discretion to award more than 60,000 points for any Qualifying event. At three points per dollar payable at 1.365%, the amount contributed to the Loyalty Program is capped at $273 per event; however, the Hotel has discretion to award more than 60,000 points at the same 1.365% assessment rate ($0.00455 per point). In 2022, the Loyalty Program was extended until December 31, 2027 by a vote of all principal correspondents of Holiday licensed Hotels in good standing. Under this extension, Loyalty Program members can accumulate points through December 31, 2027, and may redeem them through June 30, 2028. If the Loyalty Program is extended beyond December 31, 2027, the foregoing dates will also be extended. Loyalty Program points will expire on a monthly basis for any Loyalty Program accounts which have been inactive during the prior rolling 12-month period, excluding accounts in certain membership tiers, for which one benefit is the non-expiration of points.

Votes on changes to the Loyalty Program Contribution or other Loyalty Program elements requiring a vote of Brand System licensees will be counted on a "negative option basis", which means that those Hotels which do not respond by the specified voting deadline will have their votes counted as a vote for approval of the proposed change(s).

Hotels are required to allocate a certain percentage of their rooms inventory for reward night redemption by members of the Loyalty Program. The reimbursement amounts that Hotels will

receive when members redeem their points for rewards stays is specified by the Loyalty Program. SCH reserves the right to modify the Loyalty Program at any time, including, without limitation, the costs, the reward night redemption reimbursement amounts and the calculation factors.

SCH's and its affiliates' revenue includes fees from strategic collaborations, including licensing fees from co-branded credit card issuers for use of SCH's and its affiliates' intellectual property rights, access to the Loyalty Program, and certain amounts earned from credit card member acquisition fees and the sale of Loyalty Program points to third parties.

You must also participate in all other marketing and sales programs and policies that Holiday requires. To participate in certain marketing programs and to comply with the Standards, you may be required to buy advertising materials, products, services, equipment or supplies or other proprietary materials, and you may have to offer promotions or services to guests that may result in expenses or costs to you. Sometimes, these advertising and proprietary materials are available for purchase through Holiday or its affiliates.

You may also choose to participate in local and regional marketing programs, advertising cooperatives and related activities, but only at your expense and subject to Holiday's requirements. If Holiday operates any company-owned hotels, they will not have a vote in any of these programs or cooperatives. Holiday may impose reasonable charges for advertising materials you choose to order from it for these programs and activities.

Note 4: Capital Reserve: Holiday may periodically impose or change the Capital Reserve Requirements for your Hotel. If Holiday requires a Capital Reserve (the "Capital Reserve"), you must establish a Capital Reserve account of up to 5% of Gross Revenue annually for capital expenditures and upgrading of the Hotel including renovation of public areas, guest rooms, guest room corridors and replacement of FF&E. The capital reserve, if required, must be funded monthly. Since the Capital Reserve may not be sufficient to maintain the Hotel as a first-class facility in accordance with the Standards, you must promptly provide any necessary additional funds to meet Holiday's product quality and consumer quality requirements. Holiday will give you at least ninety days' notice of any establishment or change in Capital Reserve requirements (see also paragraph 13.O of the License). As used above, "Gross Revenue" means all revenues and income of any nature derived directly or indirectly from the Hotel or from the use or operation thereof, including without limitation room sales; food and beverage sales; telephone, fax and internet revenues; rental or other payments from lessees, subleases, concessionaires and others occupying or using space or rendering services at the Hotel (but not the gross receipts of such lessees, subleases or concessionaires); and the actual cash proceeds of business interruption, use, occupancy or similar insurance.

Note 5: <u>Third Party Distribution Connection Fees</u>: Holiday requires that all Hotels participate in the IHG Commission Services ("ICS") program and the Global Distribution System ("GDS"). ICS was the first centralized commission payment program in the industry, and currently has approximately 165,000 participating travel agencies in 52 countries. SCH will provide you with a monthly invoice detailing all commissions and Distribution Connection fees that SCH pays for you. As a participant in ICS, you must pay the customary minimum of 10% of the GRR (or another percentage that Holiday designates) for the travel agent or other referral source booking. In some cases, Holiday is able to negotiate this percentage and it is subject to increase from time to time. As a participant in ICS, you are automatically enrolled in the GDS, which provides reservation linkage with the three current major GDS – Travelport, Sabre, and Amadeus. You must pay a GDS fee for any reservation through the GDS that is not cancelled. The GDS Fee is currently set at $6.40 per reservation and is subject to change. Additionally, alternative connections may be developed between SCH and vendors which may be subject to transaction fees. Alternative connection transaction fees (such as the Direct Connect Fee and the Travel Management

Company ("TMC") Direct Connect Fee) are determined by the cost of maintaining the connections to the pertinent third party distributors, including fees they charge. The Direct Connect fee is currently set at $1.75 per reservation and is subject to change. The TMC Direct Connect fee is currently set at $5.00 per reservation and is subject to change. The GDS fee and TMC Direct Connect fee are mutually exclusive. This means that a hotel can be charged one or the other, but not both. You may pay all travel agent commission program fees, including commissions, by direct debit through Onyx Commission Processing. If you decline this option, you must pay SCH $2.00 per commissionable transaction billed in addition to the commission (unless you participate in IHG Secure Pay). Onyx rebates SCH 3.05% of commissions collected for their members and 3.50% of the total commission paid for most non-members, which is used to help offset the cost of operating the ICS program. These amounts are subject to change without notice. Additionally, ICS may be used as a mechanism to bill for other SCH programs such as IHG Voice Reservation Service cross-sell fees. The programs in which SCH uses ICS for billing may change from time to time.

IHG Ignite Program: All Hotels are automatically enrolled in the IHG Ignite Program ("IHG Ignite"). However, Hotels can opt-out if they do not want to participate in IHG Ignite. If they opt out, they will not be included in any of IHG Ignite's marketing programs. IHG Ignite is designed to be a performance-based and self-funded Internet Marketing program that generates increased revenue potential for Hotels. IHG Ignite markets the Brand System through SCH direct digital channels (SCH branded web sites and the SCH Mobile App). Internet users can click on advertising placed by SCH and be linked to SCH's Internet reservations page or the SCH Mobile App to make reservations. Participating Hotels must pay SCH a commission equal to 2.25% of the revenue from consumed direct digital bookings, excluding employee rates, IHG One Rewards nights and rooms booked under certain other rate codes. No GDS fee will be charged for these IHG Ignite transactions. A portion of the commissions paid by Hotels will be used by SCH to satisfy financial obligations to associated media companies and publishers which provided the advertising placements to SCH. Specific commission payment levels for each associated media company and publisher vary based on size, strategic value, and actual or potential revenue contribution.

TMC Revenue Program: Travel Management Company ("TMC", formerly known as Business Travel Agency ("BTA")) refers to a subset of agencies that account for a significant portion of all travel delivered to SCH Hotels via travel agencies. TMC Revenue Programs are pay-for-performance marketing programs designed by SCH to drive incremental revenue and improve market share with SCH travel agency partners. The key focus of these programs is to reward agencies for increasing market share by driving non-negotiated rate and/or corporate contracted business to Hotels. Hotels pay a 2.25% override fee (in addition to standard travel agency commission) for qualifying consumed room nights only over the base amount, up to a maximum of $25,000 per year). Fees are paid through the ICS. SCH negotiates and executes a centralized global contract on behalf of all Hotels in the system. All Hotels are automatically enrolled in TMC; however, Hotels can opt-out if they do not want to participate in TMC before the start of the new program year.

IHG Business Edge Program: All hotels are automatically enrolled in the IHG Business Edge Program (IHGBE); however, hotels can opt-out if they do not want to participate in IHGBE. If they opt out, they will receive no bookings from IHGBE. The IHG Business Edge Program is designed to generate incremental revenue from mid-market and local accounts to IHG hotels by developing new accounts. Hotels agree to honor the discount percentage that is attached to the account. Discounts are based on the room revenue spend of the IHGBE client and calculated off the Best Flexible Rate ("BFR"). The Best Flexible Rate is the best and least restrictive publicly available rate for that room type at the time of reservation. Discounts range from 4.0% to 14.5% off BFR, and are subject to change. Hotels agree to pay a booking fee equal to 4% of the consumed

transient room revenue for all IHGBE accounts booked at the IHGBE program rate. Hotels agree to pay any GDS or Third-Party fees associated with IHGBE clients.

Groups & Meetings ("G&M") Fee: The 4% fee applies to definite room revenue sourced through MeetingBroker, even if the MeetingBroker status is not listed as "definite". If the "definite" consumed revenue has not been updated in MeetingBroker at the time of billing, the fee will apply to the contracted or "presumed" room revenue (i.e., the number of room nights and room rate that were agreed upon when contracted). The funds collected through the Groups & Meetings Fee are reinvested into improving G&M tools and programs. Hotels agree to pay commissions due to third parties sourcing through MeetingBroker. To support Hotels globally, there is a $30,000 individual lead cap in place meaning that no Hotel will be assessed more than $30,000 in G&M fees for any one lead.

Groups & Meetings TMC ("G&M TMC") Fee: The fee applies to definite room revenue sourced through MeetingBroker, even if the MeetingBroker status is not listed as "Definite". If the "Definite" consumed or "actual" revenue is not updated in MeetingBroker at the time of billing, the fee will apply to the contracted or "agreed" room revenue. The fee percentage is 2% globally for BCD M&E, CWT M&E and AMEX GBT. G&M TMC Revenue Programs are pay-for-performance marketing programs designed by SCH to drive incremental revenue and improve market share with SCH travel agency partners specifically in the Groups and Meetings space. The key focus of these programs is to reward agencies for increasing market share by driving groups and meetings business to Hotels. Hotels agree to pay the standard commissions due to third parties sourcing through MeetingBroker in addition to the G&M TMC Fee.

Note 6: Technology Services Fee. The Technology Services Fee covers costs and investments that, at Holiday's sole discretion, support the maintenance and development of various aspects of the broader technology ecosystem. These costs and investments include maintaining the current infrastructure, ensuring the upkeep of the existing environment while also transitioning to cloud solutions and exploring new technologies. Additionally, the fee supports the development of an overall technology strategy, which involves evaluating new products, monitoring system performance, and providing post-implementation support, including a 24/7 Help Desk service. Furthermore, it covers cybersecurity enhancements including the ongoing evaluation, event monitoring, remediation efforts, and investments in new security solutions as the landscape evolves. IHG reserves the right to increase the Technology Services Fee by no more than 10% annually at the beginning of each fiscal year.

Note 7: Property Management System: Currently, Brand System Hotels with more than 150 rooms must use the Opera or Opera Xpress PMS solution (collectively, the "Premise-Based Solution") (see Items 1, 8 and 11). Brand System Hotels with fewer than 150 rooms have the option to utilize the Premise-Based Solution provided by Oracle or use the Cloud PMS solution provided by HotelKey. Payment of Cloud PMS fees must be made directly to SCH.

You must also obtain ongoing maintenance and support for the required PMS software, including upgrades and new versions (see Items 8 and 11) and other software including operating system upgrades and endpoint protection software. The endpoint protection software is part of the Total Protection for Network (ToPS), which will be administered and managed by AT&T via the FastConnect SD-WAN solution. The PMS provider will bill you and collect the fee from you for the required PMS software support, and the PMS provider provides the support. You must also obtain ongoing equipment maintenance for the PMS hardware, as arranged through either SCH or an approved vendor. The costs will vary according to your technology needs, and the costs listed on the table are estimates.

The PMS provider or SCH will provide you with a third-party license that you will execute for the use of the PMS software (see Items 1, 8 and 11). The PMS license agreement includes on-going maintenance and support for the PMS software. The PMS Provider or SCH will bill you for the support fee. The support fee is included in the overall estimate for the PMS and is more fully described in Item 5 and in the chart above. The PMS Provider may not increase the maintenance and support fee more than once during any calendar year. You must also pay support fees for the other components of property-level systems, such as PMS equipment maintenance, and for other systems which interface to the PMS; such as the telecommunications system, the electronic door locking and keycard system, and the specialized sales software. Hardware and software maintenance fees may vary based on the number of rooms at the Hotel. The fees for local and long-distance telephone service and line charges are not included in the estimated fees on the chart. The costs will vary according to your technology needs, and the costs listed on the chart are an estimate.

Next-Gen Solutions: Upon activation of the NGP program at your Hotel, you will enter into a Next-Gen Payment Agreement with SCH (See Exhibit G-4). SCH will immediately bill you monthly and administer support for the hardware and software. All Hotels are required to use NGP or such successor payments program as may be implemented by SCH. Pursuant to the terms of the Next-Gen Payment Agreement, licensee will be liable for payment to IHG of an early termination fee for any reason equal to (x) 50% of the NGP monthly fee, multiplied by (y) the remaining monthly payments in the term.

Each licensee will be required to enter into a merchant processing application and agreement with Fiserv, the SCH-approved merchant service provider, and a participation agreement with - SCH (see Exhibit G-4). Your monthly NGP fee may increase according to the terms of the NGP agreement signed at install (no more than a 5% increase from your original quoted rate), based on increases in costs incurred by SCH to provide the service. The exact amount of the fee will be defined on the quote received before installation.

Guest Internet Access: For Guest Internet Access ("GIA") Bandwidth (IHG Connect), a Hotel will be required to utilize an approved SCH-certified provider ("Integrator") and enter into a participation agreement with an Integrator (see Item 8 and the form of agreement attached as Exhibit G-5 to this disclosure document). Monthly service fees will vary based on regional telecommunication or cable company sources. Hotels with existing contracts with bandwidth providers must allow such contracts to expire or terminate by their own terms and not allow them to renew, by giving appropriate notice as soon as the terms of those contracts permit. If the contract term will extend more than one year after the effective date of the respective Standard, and the Hotel has a right to terminate for convenience (without cause) and without payment of any fees, then the Hotel must exercise that right so that the contract terminates within that year. If a Hotel leaves the IHG Brand System while its IHG Connect Participation Agreement is still in effect, the licensee shall be liable for payments to IHG of an early termination fee equal to (X) the number of months remaining on the term of the IHG Connect Participation Agreement multiplied by (Y) the monthly fees due under the IHG Connect Participation Agreement. Such payment is due within 30 days following the termination date and all equipment must be returned to the vendor within 30 days of circuit disconnection or the hotel will be subject to hardware costs. It is recommended that all Participation Agreement are renewed on or before the expiration of the Participation Agreement to avoid any disruption in service or unexpected price increases. Price increases are determined by the provider. All vendor equipment must be returned to the vendor within 30 days of the circuit disconnection or the Hotel will be subject to fees covering the cost of such hardware (i.e., Managed Router, NIDS, etc.).

For Guest Internet Access ("GIA") Hardware (IHG Connect), a hotel will be required to install approved Wi-Fi related equipment, use an approved Integrator to install the equipment, and enter

into a participation agreement with an approved Integrator (see the form agreement attached as Exhibit G-6 and Item 8). Monthly service fees will include a base per-room fee for guest support and a variable fee for meeting room support based on the number of meeting rooms and the amount of meeting space that exceeds 2,000 square feet. Additional installation and maintenance costs may also be incurred for wireless access points if a meeting space has a capacity in excess of 100. Hotels with existing contracts with hardware providers must allow such contracts to expire or terminate by their own terms and not allow them to renew, by giving appropriate notice as soon as the terms of those contracts permit. If the contract term will extend more than one year after the effective date of the respective Standard, and the hotel has a right to terminate for convenience (without cause) and without payment of any fees, then the hotel must exercise that right so that the contract terminates within that year. Hotels will need to renew software licensing for Wi-Fi hardware within five years of the original purchase claim date, on a specified date and then every five years thereafter.

If serviceability is a factor for any hotels, the Out-of-Footprint Pricing will require approval from Licensee before proceeding with an order, and special non-negotiated pricing, may be needed to service the Hotel.

Software license renewal costs vary greatly and could range from $3,000 to $200,000. These costs are dependent on whether the existing equipment claimed at the location remains active at the time of renewal.

Hotels will be required to purchase new hardware equipment (MXs, Switch and APS) and any other auxiliary equipment) generally at the of the eighth year from the original purchased claim date. All equipment which has reached their End-of-Life (EOL) are required to be replaced immediately. Hardware refresh costs vary greatly and could range from $110 to $96,000. These costs are dependent on whether the existing equipment claimed at the location remains active at the time of the refresh.

In-Room Entertainment: All hotels are required to install and maintain In-Room Entertainment Hardware. Your Hotel will be required to install approved TV sets and/or Set Top Boxes ("STBs") that are compatible with the Standards, use an approved SCH-certified integrator to install the equipment, connect guest room TVs to the data port behind the TV that connects to a switch using an ethernet cable, and must enter into an agreement with one of them. Monthly service fees will include a base per-room fee for guest support. Hotels with existing contracts with In-Room Entertainment providers must allow such contracts to expire or terminate by their own terms and not allow them to renew, by giving appropriate notice as soon as the terms of those contracts permit. If the contract term will extend more than one year after the effective date of the Standards, and the Hotel has a right to terminate for convenience (without cause) and without payment of any fees, then the Hotel must exercise that right so that the contract terminates within that year.

Employee Safety Devices: Hotels are responsible for installing an alert system that enables employees to notify Hotel management of an emergency with the push of a button ("Employee Safety Devices"). The Employee Safety Devices must be available to all employees that work in guest rooms, must instantly signal guest room and guest floor location when activated, must continuously update guest room and guest floor location, must be tested every six months, and must be utilized in accordance with federal, state, and local laws. In addition, all new employees, including contract and temporary, must receive training on the Employee Safety Devices, within the first 14 days of employment. Employee Safety Devices must be procured and installed by an approved supplier and meet defined requirements set forth in the Standards. You may be required to sign a participation agreement with an approved vendor for these services.

Public Access Computers: Hotels are required to install designated workstations and a multi-function printer, providing complementary internet access to hotel guests, in the Business Center ("Public Access Computers"). The Public Access Computers must be available 24 hours a day, must utilize SCH-approved security protection software and must include enrollment in a 24x7 support program offered by an SCH-approved vendor. In addition, all Public Access Computers are required to be refreshed every four years, a minimum of one computer must have Microsoft Office, and all must operate at the same or greater bandwidth port speed as other internet enabled devices on the Guest Internet Access network. You may be required to sign a participation agreement with an approved vendor for these services. The price will vary depending on the number of workstations and number of printers installed at your Hotel.

F&B POS: Upon execution of an F&B Point of Sale ("POS") system, you will pay to an approved vendor maintenance and support in the cloud environment and for the hardware. While the monthly fee is anticipated to be $45.00 per month per workstation, this fee can vary depending on the approved vendor you select.

Note 8: Revenue Management System: Hotels must use a Revenue Management System: either IHG Concerto, Yielding & Price Optimization or Revenue Analytics' N2Pricing. Note that beginning in 2026, Revenue Analytics' N2Pricing will be the only available option to hotels.

These Revenue Management Systems use hotel historical data, future bookings and other leading indicator data sources to create a detailed forecast of future business for your Hotel over the next 50-52 weeks.

These systems help hotels determine the best daily prices and inventory controls. The system integrates the demand forecast, publicly available competitive rates, and price sensitivity to make optimal recommendations for its hotels.

These are used in the sales process from GRS or PMS and all direct (CRO, Brand Website) and indirect channels (such as GDS or online travel agencies (OTA)). Costs of between $30 and $120 per month may apply for competitive rate insight shopping. For Hotels currently subscribed to RevenueStrategy360, these costs may be waived.

Note 9: Tax on Sales/Gross Receipts: You must pay to Holiday an amount equal to any sales, gross receipts or similar tax that may be imposed on Holiday and calculated solely on payments required under the License, unless the tax is an optional alternative to an income tax otherwise payable by Holiday.

Note 10: New Development or Conversion Hotels: Extensions: Your License will require you to begin and complete construction by certain deadlines. You may apply for an extension of the deadlines, but you must pay an extension fee in connection with the extension. Holiday must approve your extension request in writing and such approval is not automatic. You must pay any expenses Holiday incurs in processing the extension request.

Note 11: Standard Application Fee for Room Additions. Holiday charges a standard Additional Room Application Fee for applications for approval of any guest rooms to be added to the Hotel (presently, $500 per additional guest room). If you withdraw the room addition application before Holiday approves it, or if Holiday denies the application, then Holiday will refund the Application Fee, less direct expenses it incurred. Holiday may require upgrading of your existing facility as a condition of approving a room addition application. You may apply for an extension of the deadline for completion of the room addition, and you must pay an extension fee. Fees for room additions and for extensions of room addition deadlines become non-refundable if Holiday approves your request. Holiday must approve your extension request in writing and such approval is not

automatic. You will be responsible for any expenses incurred by Holiday in processing the extension request.

Note 12: Public Offering or Private Placement Processing Fee: If you propose a securities offering requiring registration under any federal or state securities law, you must apply to Holiday for approval of the offering and pay Holiday a non-refundable securities offering fee of $25,000 when you apply.

Note 13: Audit/Interest: If an audit by Holiday discloses a deficiency in any payment and the deficiency is not offset by overpayment, you must immediately pay Holiday the amount of such deficiency and an audit fee of $3,000. If the audit does not result in a deficiency being assessed, then you will not pay an audit fee. Amounts not paid when due will accrue interest, beginning on the first day of the following month, at 1.5% per month or the maximum interest permitted by law.

Note 14: Re-licensing or Change of Ownership Application Fees & Realignment/Name Change; Brand Conversion Processing Fee: If you apply for re-licensing or change of ownership, you must pay Holiday a Re-licensing Application Fee or Change of Ownership Application Fee, as the case may be. If Holiday denies the re-licensing or change of ownership application, Holiday will retain $15,000 and refund the balance of the Re-licensing Application Fee or Change of Ownership Application Fee to you. Fees may vary for licenses with terms of 60 months or less. If your license agreement requires amendment in order to change the name of the Licensee entity or realignment of the ownership interests, you must pay Holiday a Name Change Realignment Fee of $5,000.

Note 15: Indemnification: You must indemnify Holiday, its parent, subsidiaries and affiliates (including SCH) and their officers, directors, employees, agents, successors and assigns against, hold them harmless from, and promptly reimburse them for, all payments of money (including fines, damages, legal fees, and expenses) by reason of any claim, demand tax, penalty, or judicial or administrative investigation or proceeding whenever asserted or filed (even where negligence of Holiday and/or its parents, subsidiaries and affiliates is alleged) arising from any claimed occurrence at the Hotel or any act, omission or obligation of yours or anyone associated or affiliated with you or the Hotel. At the election of Holiday, you will also defend Holiday and its parent, subsidiaries and affiliates and their officers, directors, employees, agents, successors and assigns against same. In any event, Holiday will have the right, through counsel of its choice, to control any matter to the extent it could directly or indirectly affect Holiday and/or its parent, subsidiaries or affiliates or their officers, directors, employees, agents, successors or assigns. You must pay Holiday all expenses, including attorneys' fees and court costs, incurred by Holiday, its parents, subsidiaries, affiliates, and their successors and assigns as a result of any claimed occurrence or to remedy any defaults of, or enforce any rights under the License; to effect termination of the License; or collect any amounts due under the License.

Note 16: PIP/Soft Goods; Noncompliance; Quality Programs:

<u>Quality Program:</u>

You must participate in quality and guest satisfaction programs that Holiday periodically develops and modifies. Holiday representatives may inspect the Hotel at any time with or without notice to you, to determine whether your Hotel is compliant with the Standards. If Holiday determines that your Hotel is not compliant with the Standards, Holiday may charge you for all quality defaults, visits, re-evaluations, and re-inspections at your Hotel that occur as a result of your Hotel's failure of any quality evaluation, your Hotel's failure under the guest satisfaction measurement system, your failure to complete "The Operator's View" ("TOV") as mandated, your failure to cure non-compliance with Incident Reports, your failure cure non-compliance with submission of

Certificates of Compliance ("COC"), or your failure to complete the Corrective Action Plan ("CAP") as may be required following any quality evaluation. You must pay for the room and board of the Quality Department Representative for any quality inspections.

Completion of the TOV survey is mandatory when assigned. Failure to do so in any assigned month will result in an escalating assessment of up to $2,500 per occurrence and may result in a visit from a Quality Department Representative.

You must complete all items in the CAP created during a quality evaluation, action plan visits, re-evaluations and re-inspection at your Hotel. Failure to do so in the timeline defined in the CAP will result in an escalating assessment of up to $7,500 and may result in a visit from a Quality Department Representative.

Hotels that fall into any guest satisfaction measurement (currently known as "Guest Love") that is at or below the "Reputable" threshold for more than six months may be placed in the Performance Compliance Program and must pay up to $13,500 for each 3-month period that the Hotel remains in such Program. Participation in the Program will also require a Mandatory Improvement Plan, which may include ongoing quality evaluations, required capital improvements, and other actions as may be necessary to improve guest satisfaction.

PIP:

If your hotel is subject to a PIP, it will be inspected during the renovation period, and after the required completion date to verify satisfactory completion of all of the work detailed therein. If the PIP is not completed to our satisfaction at the time of the inspection at the completion date, you will be assessed a fee of up to $5,000 for the first re-inspection and any subsequent re-inspections we perform until the PIP work is completed to our satisfaction. You must also provide complimentary lodging at the hotel for the inspector performing a re-inspection. Your hotel may also be assessed a fee of up to $5,000 in the event that any of your PIP milestones need to be extended. You must provide complimentary lodging at the Hotel for any inspector performing PIP related inspections.

Mid-Cycle Soft Goods and Case Goods Renovations:

Your hotel will receive communications about the scope of Soft Goods and Case Goods renovation requirements and their due dates. If you fail to timely complete a required Soft Goods or Case Goods renovation, we may charge a renovation non-compliance fee up to $10,000. Your hotel will be inspected during and after the completion of the required renovation to verify satisfactory progress and completion. If your required renovation is not completed to our satisfaction at the time of inspection, the foregoing non-compliance fee will also be assessed for any extensions granted and any subsequent re-inspections we perform until the renovation work is completed to our satisfaction. You must also provide complimentary lodging at the hotel for the inspector performing an inspection or re-inspection of your renovation work.

Note 17: IHG Voice Reservation Service Program:

Participation in the IHG Voice Reservation Service program is required. The IHG Voice Reservation Service program is a service whereby reservation calls to your Hotel will be referred to an offsite call center. Participation is defined as sending all rooms reservations calls to the IHG call center. Participation will be monitored for compliance to target benchmarks as available in IHG Voice Dashboard reports in the IHG Reporting platform. The offered services may include reservation services for all calls transferred from the Hotel including new reservations and modifications or cancellations of existing reservations; telephone connections between the Hotel

and the reservation office; equipment, management and staffing for the reservation office; and monthly performance reports for the Hotel. These services will require you to pay additional fees (see Item 6 Table) and sign the IHG Voice Reservation Service Agreement, attached as Exhibit G-1 to this disclosure document.

Note 18: IHG Commercial Services and IHG Revenue Services:

IHG Revenue Services is a service that includes but is not limited to (1) revenue management advisory services and (2) Yielding, Pricing & Inventory Management services performed in cooperation with your Hotel.

IHG Commercial Services is a broader program service that includes but is not limited to: (1) revenue management advisory services; (2) Yielding, Pricing & Inventory Management advisory services; (3) sales and property support advisory services; and (4) digital marketing and activation services performed in cooperation with your Hotel. This program combines IHG Revenue Services with additional commercial and field marketing services.

From time to time, SCH may require that Hotels participate in IHG Commercial and IHG Revenue Services. These services will require the payment of additional fees, and you must sign either the IHG Commercial Services Agreement, or the IHG Revenue Services Agreement, each attached as Exhibit G-2 to this disclosure document. Both agreements terminate twelve (12) months from the effective date, or either party may terminate the agreement upon 90 days advance written notice. Both agreements will also terminate if the Hotel participates with an uncertified third-party intermediary. The term automatically renews for successive one-year periods unless at least thirty (30) days' written notice is given before the end of the current term. If a Hotel is operated by a first time Holiday owner-operator or is converted from a competitor brand, the Hotel will be required to join IHG Commercial Services for a minimum of the first two years of operation of the Hotel.

If a Hotel is operated by a first time Holiday owner-operator or is converted from a competitor brand, the Hotel will be required to join IHG Commercial Services for at least the first year of operation of the Hotel. If a Hotel has applied for and received a waiver, the waiver will be reviewed by Holiday on an annual basis. Approval of a waiver is also subject to review in circumstances such as a change of ownership, management company or key personnel at the Hotel.

Hotels will still be required, at all times, to follow the applicable brand Standards for Revenue Management Certification and Sales staffing. These requirements may vary for dual-brand Hotels.

Note 19: Guest Relations Fee: One Contact Resolution is a Guest Relations process that allows for increased guest satisfaction by empowering Case Managers to handle calls quickly. Your Hotel is expected to resolve any guest relations issues of a service or quality nature during the guest's stay. Post stay contacts of a service or quality nature will be resolved by Guest Relations Case Managers who will resolve contacts of this nature on behalf of the Hotel, compensating the guest with up to one night's room fee and tax. You must pay a $150 Case Management Fee per incident as well as any applicable compensation to the guest. Hotels can earn a quarterly fee waiver on service and quality cases by achieving a GR Index in the top third of the system. Any non-service or quality issues are referred to the Hotel for resolution.

Note 20: IHG One Rewards Measured Standards: IHG One Rewards Measured Standards are measured and enforced by the Loyalty Program to ensure consistency in the delivery of the program to its members. Standards are based on calendar quarter thresholds. Hotels are measured at the end of each calendar quarter for compliance. If a hotel fails to meet the threshold

for a quarter it will have one quarter to cure. If a Hotel that has 300 rooms or less fails to cure, it will move to assessment and will be assessed a fee of $1,000 for each standard failed. If a Hotel fails in consecutive quarters, the assessment will escalate to $2,000 for a failed third quarter and $3,000 for a failed fourth quarter. The assessment is capped at $3,000 per quarter per standard. If a Hotel that has more than 300 rooms fails to cure, it will move to assessment and will be assessed a fee of $1,000 for each standard failed. If a Hotel fails in consecutive quarters, the assessment will escalate to $2,500 for a failed third quarter and $5,000 for a failed fourth quarter. The assessment is capped at $5,000 per quarter per standard.

All measured standards are evaluated and assessed individually.

Note 21: Employee Engagement Survey: Holiday may require your Hotel to participate in the brand's annual employee engagement survey and if so, you will be responsible for all charges associated with administering the program through the brand's designated third-party provider.

Note 22: IHG Premium Investors and Leadership Conference: The Licensee (or, if Licensee is not an individual, a representative of Licensee) and the General Manager must attend the IHG Premium Conference and must pay the registration fee of up to $2,295 per attendee regardless of attendance plus travel and expenses. These conferences are generally held biennially but are subject to adjustment. The Licensee (or, if Licensee is not an individual, a representative of Licensee) and General Manager must attend breakout sessions designated by Holiday as relevant to their Hotel(s).

General: Holiday can require you to settle all outstanding obligations by signing up for direct debit on IHG SmartPay, electronic funds transfer, or any other method designated by IHG to accomplish the same purpose. Except as described above, all monthly payments must be made to Holiday or SCH by the 15th day of the following month, in Atlanta, Georgia, in U.S. currency, unless otherwise specified by Holiday or SCH.

Holiday may consider requests to alter the requirements described in this Item. Holiday will only consider proposed changes under special circumstances and any changes must comply with applicable laws.

ITEM 7
ESTIMATED INITIAL INVESTMENT

The following table provides an estimate of the initial investment for a 150-room voco Hotel.

YOUR ESTIMATED INITIAL INVESTMENT FOR A 150-ROOM voco HOTEL:

Type of Expenditure	Amount	Method of Payment and When Due	To Whom Payment Is to be Made
Application Fee (Note 1)	$75,000	With application	Holiday
Property Improvement Plan ("PIP") fee (Note 1)	$0 to $10,000	Before you submit your application	Holiday
Land (2.5 to 5 acres) (Note 2)		As required	Third parties
Building Construction (Note 2) (Note 3)	$2,444,100 to $36,030,800	As required	Third parties
Furniture, Fixtures & Equipment (Note 2)	$2,096,700 to $3,989,408	As required	Suppliers
Operating Supplies & Equipment (Note 4)	$476,300 to $853,254	As required	Suppliers
PMS Equipment: Software; Installation & Training; IHG Concerto Access & Training; NGP/Payments Equipment; Software; Installation & Training (Note 5)	Premise Based - $88,000 to $123,000	Cash or commitment letter from SCH approved leasing or financing company before installation	SCH affiliates or 3rd parties
Guest Internet Access – Hardware (IHG Connect) (Note 5)	$52,500	Cash or commitment letter from SCH approved leasing or financing company before installation	3rd parties
Guest Internet Access – Bandwidth (IHG Connect) (Note 5)	$500 to $2,500 monthly (varies by vendor)	As required by Suppliers.	Suppliers

Type of Expenditure	Amount	Method of Payment and When Due	To Whom Payment Is to be Made
Key Card System (Door Locks Only) (Note 5)	$11,000 to $22,000	As required by suppliers, and may be subject to additional costs.	Suppliers
Telephone Switch (Note 5)	$41,250	As required by suppliers	Suppliers
CCTV Security (Note 5)	$11,250 to $18,750	As required by suppliers	Suppliers
Audio Visual & Music System (Note 5)	$25,000		
NextGen Payments	$251 to $400	As required by suppliers	Suppliers
Guest In Room Entertainment – Hardware, Maintenance, Guest Support & Content (Note 5)	$10,000 to $20,000	As required by suppliers	Suppliers
Employee Safety Devices (Note 5)	$25,000 to $30,000	As required by suppliers	Suppliers
Public Access Computers (Note 5)	$5,400 to $7,700	As required by suppliers	Suppliers
F&B POS (Note 5)	$35,000 to $45,000	As required by suppliers	Suppliers
Primary Identification Sign (including installation, freight, foundation and wiring)	$10,000 to $55,000	As required	Suppliers
Preopening Support Fee; to be invoiced within 60 days of license execution by Holiday (Note 6)	$8,500	Lump sum within 30 days of invoice	SCH
IHG University: Core Subscription (Note 6)	2025 annual subscription fee for voco hotels is $5,500. Prorated based on opening month. Additional travel expenses may apply.	Lump sum within 30 days of Holiday 's invoice	SCH

Type of Expenditure	Amount	Method of Payment and When Due	To Whom Payment Is to be Made
Opening Date Extension Fee (Note 7)	Up to $5,000 plus expenses	Lump sum within 30 days of invoice	SCH
Market Feasibility Study	$0 to $30,000	As required by Service Provider	Service Provider
voco R&B Concept Development (Note 8)	$0 to $80,000 per R&B venue	At time of opening or major renovation	Service Provider
voco R&B Brand Identity Services (Note 8)	$0 to $75,000	At time of opening or major renovation	Service Provider
License and Permits (Note 9)		As incurred	Local & State Authorities
Professional Fees (Note 10)	$125,000 to $1,621,390	As incurred	Third parties
Security Deposits (Note 11)	$2,500 to $25,000	As incurred	Third parties
Insurance (Note 12)	$43,750 to $187,500	Before opening	Carrier
Hotel Photography (Note 13)	$15,000 to $25,000	At time of opening and post renovation or structural change	Suppliers
Additional Funds and Prepaid Expenses during the initial phase (first 3 months after opening) (Note 14)	$200,000 to $1,000,000	As incurred	Employees Suppliers, Utilities
TOTAL	$5,807,501 to $44,464,452 (or $38,717 to $296,430 per guestroom for a 150 room voco hotel) (exclusive of land, inestimable items and contingency funds) (Note 15)		

The above chart does not reflect all of your expenses in opening the Hotel, such as interest on construction loans, financing fees, appraisal fees, taxes or other similar costs. There may be other items which Holiday is unable to estimate. You should review these figures carefully with a business advisor before making any decision to purchase the license. In Holiday's experience, Hotels built in suburban locations have costs towards the lower half of these ranges while Hotels built in urban locations have costs towards the high end of these ranges.

To Holiday's knowledge, none of the expenditures described above are refundable, unless otherwise indicated.

The initial investment varies depending on, among other things, size, land cost, construction costs, delays, contingencies, amenities and economic conditions.

Holiday does not offer any formal program for direct or indirect financing. Holiday, SCH or its affiliate, General Innkeeping Acceptance Corporation ("GIAC") may furnish loans or guaranties to licensees (See Item 10).

Your total investment will vary depending on, among other things, size, land cost, construction costs, delays, contingencies, amenities and economic conditions.

These estimates do not include the cost of land or other items that Holiday cannot estimate.

Note 1: Certain fees paid by licensees are payable to Holiday and either SCH or Holiday may collect those amounts from licensees.

Note 2: Since land values vary so dramatically, it is not possible for Holiday to estimate the amount required to purchase or lease the land necessary to operate the Hotel. You can develop your own estimate by applying the acreage requirements to the local land sale or lease costs in the geographic area in which the Hotel will be situated. The cost estimates listed above for construction of the building and for furniture, fixtures and equipment are for newly developed Hotels rather than conversions. Holiday requires that qualified design professionals prepare specifications and décor schemes for all furniture, fixtures, and equipment for your specific site. Your land acquisition costs will vary depending upon a multitude of factors including whether the property is purchased or leased, the size and location of the property, and the availability of financing on commercially reasonable terms.

Note 3: The cost estimates above for construction of the building and for furniture, fixtures, and equipment are representative of conversion and new development hotels. Building construction costs vary greatly from state to state and region to region depending upon material, labor costs, and other variables. Construction costs may also vary depending upon soil and environmental conditions, availability of utilities to the site, and the topography of the site. The estimate does not take into account special local requirements such as earthquake requirements or impact fees, or specific local aesthetic requirements or remedial work that may be required to bring a building into regulatory compliance or within the Standards. An architect approved by Holiday must prepare plans for your specific site and construction type. You must commission and pay your architect directly. Holiday may in the future require use of prototype plans, but Holiday does not currently provide or mandate them. An architect approved by Holiday must adapt these plans for a specific site and construction type. Before commencing your architectural plans and specifications, you must attend a kick-off meeting for consultation and coordination with Holiday, and you must provide Holiday with periodic milestone updates of your development progress as provided by Holiday. There are no fees for the kick-off meeting; however you must pay for your travel, lodging and miscellaneous expenses. Your plans and specifications must conform to the Standards, and must be approved by Holiday before you begin construction. You must provide Holiday with periodic milestone updates of your development progress as required by Holiday.

A model room is required for review and Holiday approval prior to the ordering, purchasing, and installation of guest room FF&E for both new-build and conversion projects. The model room must include a complete bathroom build-out, a complete bedroom area build-out, all floor, wall, and ceiling finishes, and must be fully furnished with all OS&E, FF&E, and design elements.

Estimates for furniture, fixtures, and equipment (FF&E) expenses include costs for guest room and common area furniture, kitchen and bar equipment (both back-of-house and guest-facing), fitness center equipment, and in-hotel technology such as televisions, computers, and internet

connectivity. However, these estimates do not include any FF&E required for extensive designs that accommodate full kitchen or catering facilities, pools, spas, or expansive outdoor or common space areas (e.g., courtyards).

Holiday may approve two separate IHG-branded hotels on the same Site. Such projects are dual brand in nature; however, you will be required to enter into two separate brand license agreements with Holiday. The fees set forth above may differ based on the nature and structure of such dual-brand arrangement on the Site.

Note 4: The estimates for this category include the base supply and stock of equipment and supplies necessary to begin operations of the hotel. Examples of these items would include: hardware, tools, linens, employee uniforms, housekeeping supplies, office and guestroom equipment, paper goods, office and cleaning supplies, shelving and storage, glass and china ware, utensils, banquet equipment, amenities, among others.

Note 5:

PMS: The estimates shown in the chart above are for a 150 room voco Hotel which will require use of the Opera or Opera Xpress Premise Based Solution. The estimated cost of the Opera or Opera Xpress PMS assumes you purchase the equipment from or through SCH and includes the cost of the basic equipment installation and configuration; training in the use of the PMS; and IHG Concerto revenue functionality; and expenses for travel, meals and lodging related to the IHG Concerto training. The cost range for a Premise based PMS solution is between $67,000 and $75,000 for a Hotel with 1-100 rooms, $73,000 to $90,000 for a Hotel with 101-175 rooms, $88,000 to $123,000 for a Hotel with 176-250 rooms; $126,000 to $158,000 for a Hotel with 251-300 rooms, and $176,000 or greater for a Hotel with 351 rooms or more, These ranges do not include additional IHG Concerto training, additional hardware or software, the cost of additional Manuals (approximately $50 each), shipping and handling, insurance premiums or taxes. Hardware warranties are purchased at the initial time of procurement. Food, lodging and transportation expenses of your employees and/or Holiday employees and contractors are also not included and can range from $500 to $2,500 per person.

NGP Solution: The estimated cost of the NGP solution assumes you purchase the equipment from or through SCH and includes the cost of the basic equipment, installation and configuration; training in the use of the payment program devices and software, and expenses for travel, meals and lodging. Hardware warranties are purchased at the initial time of procurement.

Guest Internet Access: The Guest Internet Access ("GIA") Hardware and Bandwidth ("IHG Connect") estimates for infrastructure needs can vary greatly by location and building type. Actual costs for hardware can only be obtained once the Integrator service provider site surveys are completed. Final costs are based on individual unique building and construction circumstances of a given property. The site survey will help determine the sizing, number of switches, number of access points, etc. through a Wi-Fi heat map coverage diagram. You must purchase or lease all equipment from Integrators whose products and services meet Holiday's specifications.

Actual costs for Bandwidth are determined by the cost provided in the IHG Marketplace. Hotels will select the circuit and access size based on the minimum requirements set forth in the Standards. Bandwidth circuits are installed and required before GIA Hardware installation. If the serviceability area of the Hotel requires special fiber construction beyond the budgeted construction, then the Hotel may have to pay a direct fee for the additional construction cost directly to a fiber vendor for your Guest Internet Access Bandwidth. Each Hotel is responsible for detailing the demark for installation of fiber and equipment for Bandwidth service at the start of the Bandwidth circuit order. If the fiber order and its Right of Way (on property) construction to

the demark is delayed due to Hotel site readiness, the Bandwidth order may be subject to cancellation and the Hotel may be subjected to cancellation fees ranging from $250 to $2500 depending on the vendor. Upon circuit disconnection, all vendor equipment must be returned within 30 days or the Hotel will be subject to fees covering the cost of hardware (Managed Router, NIDS, etc.).

Keycard System: All voco hotels must utilize an approved Keycard System that meets brand requirements. The estimated initial cost for the Keycard System solution purchase and installation will range from $11,000 to $16,500 for a hotel with up to 100 rooms; $11,000 to $22,000 for a hotel with up to 200 rooms; $11,000 to $27,500 for a hotel with more than 200 rooms. This cost includes the server, key encoders, installation, and support. It does not include the cost of the locks for the doors themselves. You must obtain ongoing maintenance and support for the required Keycard System software, including upgrades and new versions. You must also obtain ongoing equipment maintenance for the Keycard System hardware. The Keycard System provider will bill and collect the fee from you for the required Keycard System hardware / software support. The costs will vary depending on the Hotel's specific technology needs, including the number of key encoders and servers at the Hotel. The Keycard System must interface with the Property Management System (PMS).

In-Room Entertainment: The estimated costs for In-Room Entertainment will be driven by the number of guest rooms, NUC device, Chromecast devices, set top boxes, installation costs, etc.

Employee Safety Devices: The estimated costs for Employee Safety Devices will vary based on the number of hotel rooms ($125 to $150 per room). Employee Safety Devices must be procured and installed by an SCH-approved vendor and meet defined requirements. Estimated cost will be $13,000 to $15,000 for a hotel with 100 rooms; $25,000 to $30,000 for a hotel with 200 rooms; $38,000 to $45,000 for a hotel with 300 rooms; $50,000 to $60,000 for a hotel with 400 rooms; and $63,000 to $75,000 for a hotel with 500 rooms.

Public Access Computers: The estimated cost shown in the table is the range for two workstations and one or two printer(s). Hotels are required to install designated workstations and a multi-function printer, providing complementary internet access to hotel guests, in the Business Center ("Public Access Computers"). The Public Access Computers must be available 24 hours a day, must utilize IHGSCH-approved security protection software and must include enrollment in a 24x7 support program offered by an IHGSCH-approved vendor. In addition, all Public Access Computers are required to be refreshed every four years, a minimum of one computer must have Microsoft Office, and all must operate at the same or greater bandwidth port speed as other internet enabled devices on the Guest Internet Access network. You may be required to sign a participation agreement with an approved vendor for these services.

Telephone Switch: Estimated costs for a telephone switch will be $27,500 for a hotel with 100 rooms; $55,000 for a hotel with 200 rooms; $112,500 for a hotel with 300 rooms; $150,000 for a hotel with 400 rooms; and $187,500 for a hotel with 500 rooms.

The estimate assumes a Hosted PBX with analog room phones; $275 per room. If using IP phones or have larger admin staff; $375 per room (300 Rooms or more). Final costs are determined by the direct Telcom company the hotel engages for services.

CCTV Security: Estimated cost for a CCTV security system will be $7,500 to $12,500 for a hotel with 100 rooms; $15,000 to $25,000 for a hotel with 200 rooms; $22,500 to $37,500 for a hotel with 300 rooms; $30,000 to $50,000 for a hotel with 400 rooms; and $37,500 to $62,500 for a hotel with 500 rooms.

Estimated costs will vary based on the total number of cameras and the amount of storage required. Estimates are based on $75 to $125 per key, excludes cabling and software licensing for certain providers. Software licensing may run up to $200(60 months) for certain CCTV providers.

Audio Visual & Music System: Estimated cost for an Audio Visual & Music System will be $25,000 for a hotel with 100 to 500 rooms. Estimated costs will vary based on the total number of speakers and number of public area zones.

F&B POS: All Hotels must also utilize an approved F&B POS solution. The estimated initial cost for the POS purchase and installation will range from $45,000 to $55,000 based on 5 outlets with 12 workstations & printers, 3 tablets & 5 kitchen/ bar printers, The pricing will increase with the installation of additional outlets & hardware. You must obtain ongoing maintenance and support for the application & all hardware. The costs will vary according to your technology needs.

Note 6: The Openings program provides services and training required to open a hotel in the Brand System. The related Preopening Support Fee is $8,500 and covers support from license execution to hotel opening provided by the Hotel Lifecycle + Growth organization (including but not limited to Franchise Openings, Plan Review, Construction).

Your General Manager, Front Office Manager, Director of Sales, Executive Housekeeper, F&B colleagues, and Hotel Experience Champion (or their equivalent roles) must each complete initial certification training. All required core certification training is included in the annual subscription for the IHG University Program. For in-person classes, you must pay for trainees' travel expenses or any training expenses incurred from any optional or supplemental courses that your trainees attend. You may be required to purchase subsequent training materials.

Your General Manager and Hotel Experience Champion must each complete the Leading the Brand Training for New Hotels certification before the hotel opening. The cost for the training event is included in the annual subscription for the IHG University Program. You may be required to purchase subsequent training materials to fulfill the ongoing training of new employees. In the event additional onsite training is required at the Hotel, additional costs may range from $1,500-$6,000.

The RAMP UP Program is an instructor-led training class that provides basic instruction on IHG Concerto, the reservation process and revenue management. Your General Manager and other individuals designated as the system experts for your Hotel must attend the RAMP UP Program virtually or at an SCH designated location. There are no additional fees for your General Manager and the other individuals designated as your Hotel's system experts to attend the workshop. Participants from all hotels are responsible for their own expenses for travel, meals and lodging if they attend the workshop in person.

Your General Manager, Front Office Manager, Director of Sales, Executive Housekeeper, F&B colleagues, and Hotel Experience Champion (or their equivalent roles) must each complete initial certification training. All required core certification training is included in the annual subscription for the IHG University Program. For in-person classes, you must pay for trainees' travel expenses or any training expenses incurred from any optional or supplemental courses that your trainees attend. You may be required to purchase subsequent training materials. If you are required to purchase subsequent training materials for any of the aforementioned training programs or any of the training programs described in Item 11, Holiday estimates that such subsequent training materials will cost no more than a total of $5,000 per Hotel for all trainees combined.

Hotels should allocate annual pre-determined amounts per full-time employee for optional value-add and specialist courses: Managers/Department Heads - $650; Assistant Managers/ Supervisors - $450; Frontline colleagues - $250. Where the amount of the value-add and specialist training exceeds 2% of Total salaries and wages budget, hotels should cap their Learning & Development allocation at 2% of their Total salaries and wages budget. This estimated budget amount is required for the consumption of IHG Value-Add and Specialist learning offers and the personal development of hotel employees through other various training programs, which also includes virtual and e-learning.

Your General Manager and Hotel Experience Champion must each complete the Leading the Brand Training for New Hotels certification before the Hotel opening. The cost for the training event is included in the annual subscription for the IHG University Program. You may be required to purchase subsequent training materials to fulfill the ongoing training of new employees.

The Back of House Program must be implemented in the employee area of the Hotel. The program consists of artwork designed to improve the back of house experience, while educating team members on the InterContinental brand, IHG and their Hotel.

Before opening, you may receive on-site training and consulting from a member of Holiday's franchise service team. This Holiday employee will visit your Hotel to assist the Hotel to become part of the Brand System. The Holiday employee may train all Hotel management/supervisory staff to deliver information to line-level employees. Generally, training topics include: the Standards, guest service skills, departmental performance standards, marketing and loyalty programs, service planning, quality measurement and the Reservation System. The training may also include management orientation and Hotel employee orientation. The Hotel must provide meeting space and lodging for the trainer. Holiday estimates that the fee will be $7,500 for the training, materials and shipping and handling. These fees and costs do not include expenses incurred by Holiday's employee for travel, lodging and meals, which are billed directly to your Hotel.

Note 8: These fees will only apply if it is necessary to reschedule your hotel's opening date. In the event that you need to reschedule your opening, you may be charged a fee of up to $5,000 per extension. Holiday must approve your extension request in writing and you must pay any expenses Holiday incurs in processing the extension request.

A Market Research Study is required to determine an advisable direction for your hotel's restaurant based on a variety of factors, including, but not limited to, location, size and local competition. The Restaurant and Beverage (R&B) Concept Development Fee only applies if you will be managing a full-service restaurant independently and would not apply if you engage a third -party R&B manager to operate your Hotel's restaurant. The R&B Concept Development Fee is determined by your individual needs and management company capabilities. Developing a unique R&B concept is your responsibility and your concept must be approved by Holiday. This fee would typically include the following: overall concept development including a concept description, target demographics, description of look/feel/ambience, cuisine program/spectrum, beverage program/spectrum, tabletop design and selection. Additionally, this fee may include food and beverage menu ideation, food and cocktail recipe development, operations tools and opening and training support as needed.

All voco® hotels must use the R&B Brand Identity Services. R&B Brand Identity Services typically include naming, logo development and creation of collateral (including menus, coaster, business cards, ephemera development), which is to be professionally created. Additionally, this may include tabletop suggestions and specifications; uniform suggestions and specifications; and OS&E suggestions and specifications.

Note 9: The licenses and permits you must obtain to operate the Hotel vary depending upon the state, county or other political subdivision in which the Hotel is situated.

Note 10: The estimates for this category include charges imposed by your insurance carriers, attorneys, accountants, architects and engineers. You must use architects and interior design firms approved by Holiday for the build out of your voco branded Hotel. To be approved by Holiday, such architects and interior design firms must demonstrate premium/luxury hospitality experience with a minimum of 3 to 5 completed projects in the past five (5) years. The actual amount will depend solely upon arrangements you make.

Note 11: The security deposits you must pay to utilities, lessors, and vendors or suppliers of other products or services will vary from Hotel to Hotel.

Note 12: Holiday's specifications for the amount and type of insurance coverage are in paragraph 8.B of the License. If you fail to procure or maintain the insurance coverages and limits set forth in paragraph 8.B, Holiday will have the right and authority (but not the obligation) to procure such insurance at your cost, including any costs incurred by Holiday for procurement and maintenance of such insurance. Holiday currently requires that you obtain a commercial general liability insurance policy (including coverage for product liability, completed operations, contractual liability, host liquor liability and fire legal liability) and business automobile liability insurance policy (including hired and non-owned liability) with single limit coverage for personal and bodily injury and property damage of at least $15,000,000 per occurrence for all Hotels naming Holiday, SCH and their parents, subsidiaries and affiliates as additional insureds. In connection with all construction at the Hotel, you must require your general contractor to maintain commercial general liability insurance (including coverage for product liability, completed operations and contractual liability) and business automobile liability insurance (including hired and non-owned liability) with limits of at least $15,000,000 per occurrence for personal and bodily injury and property damage for all Hotels naming Holiday, its parents, subsidiaries and affiliates as additional insureds. Holiday also requires you to maintain employment practices liability insurance (including coverage for harassment, discrimination and wrongful termination and covering defense and indemnity costs) naming Holiday, SCH and their parents, subsidiaries and affiliates as additional insureds with a minimum limit in the aggregate of $1,000,000 for all Hotels. The holder of the liquor license must maintain liquor liability insurance with single limit coverage for personal and bodily injury and property damage of at least $15,000,000 for each occurrence naming Holiday and its parent, subsidiaries and affiliates, (and Licensee if applicable) as additional insureds. You must also obtain: (i) employer's liability with minimum limits of $1,000,000 per occurrence; (ii) worker's compensation insurance; (iii) business interruption insurance to ensure the royalties, Service Contributions and any other sums payable to us (the policy should insure against 'all risks' of physical loss or damage, and be endorsed to provide for payments to be made directly to Holiday). Item 7 provides an estimate for insurance costs, however, liability insurance premiums will depend on such factors as jurisdiction, exposures, type of Hotel, loss history, location, size of Hotel, payroll size, and other factors.

Note 13: You will be responsible for contracting with a brand identified and approved hotel photography supplier and photo stylist to produce a minimum of thirty-four brand specified hotel photographs for use in the brand and SCH sales and marketing materials. Additional photos may be required depending on room types, if rooms are sold with an attribute and for new room inventory types. Photographs must be completed in accordance with IHG photography guidelines within 45 days of opening your Hotel, as well within 45 days after significant hotel renovations.

Note 14: This estimates your initial operating expenses for three months after opening. These figures include opening advertising programs, payroll costs, royalties, marketing fees, reservation fees, hardware/software support, utility charges, and other supply costs. These figures are

estimates and Holiday cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors such as: how closely you follow Holiday's methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for the Hotel brand's services; the prevailing wage rate; competition; and sales level reached during the initial period.

Note 15: Holiday has collected data from its company-owned Hotels to compile these estimates and has also relied upon over 50 years of experience in the hotel franchise industry. The above chart may not reflect all of your expenses in opening the Hotel. There may be other items which Holiday is unable to estimate. IHG makes no representations that your initial investment will come within the ranges shown above and cannot guarantee that additional costs will not be incurred due to variables outside of our knowledge and experience. The total estimated initial investment does not include variables such real estate costs, contingency fees, finance charges, interest or debt service obligations. Additionally, we cannot predict (and encourage you to consider) the implications of public policy on inflation, tariff rates, impact of climate change, and commodity and other cost fluctuation due to immigration restrictions. You are encouraged to independently investigate and carefully review the cost of all items and services with your own business and legal advisors before purchasing the license.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Except as described below, you are not required to purchase or lease products or services from Holiday or its affiliates, or from suppliers approved by Holiday, or under Holiday's specifications.

Standards and Specifications:

You must build, design, furnish, equip, decorate and supply the Hotel subject to Holiday's approval of your plans. You must equip and operate the Hotel with products which meet the Standards and specifications, including those described in the License, Standards and Design Guidelines for the voco hotels brand. All modernization, renovation and upgrading of your Hotel must also meet the Standards and specifications. Holiday issues specifications by brand of product and in many instances by brand "or equivalent", by physical characteristics and by other methods, depending on the product, or service involved. Holiday retains the right to make changes to the Standards. These changes will become binding on you as if originally set forth in the Standards. Holiday will provide you with an explanation of any change, in writing, at least 30 days before it goes into effect.

Holiday estimates that the Standards and specifications will apply to 90% to 95% of your purchases and leases. If you purchase or lease any equipment or supplies not previously approved by Holiday, Holiday may require you or the manufacturer to submit a written request for its approval. Holiday reserves the right to require removal of any non-approved product installed at the Hotel. While Holiday has no obligation to respond within a certain time frame, it expects to do so within 45 to 60 days from receipt of your request. Holiday may require certain information, tests, certifications and inspections, at no expense to Holiday, as a condition of approval.

Holiday requires you to hire qualified, licensed, professional advisors in the form of a project team, which may consist of, depending on complexity and scope of the work, an architect, interior designer, engineer or other related specialist when building or renovating an IHG Hotel. If you cannot find such licensed professional help, contact your Openings Regional Director. All architects and interior designers must be approved by Holiday prior to the project commencing. Any design work submitted by unqualified individuals hired by you will be rejected and your Hotel can be subject to Plan default, resulting in an assessment of fees under the terms of your License.

The fee for such Plan default will be up to $5,000. At our sole discretion, you may be required to remove any non-approved product installed in your Hotel that has not been approved by IHG Plan Review explicitly in writing before installation.

At the time you and Holiday sign a License, and before your Hotel opens, SCH may determine to fund your purchases from approved suppliers and then invoice you. You must reimburse SCH for these purchases. If Holiday funds your purchases before your Hotel opens, Holiday will not receive fees from approved suppliers and will not retain any portion of your payments for the purchases.

In some instances, Holiday receives a small commission from vendors' sales to offset Holiday's costs of implementing the SRD Program. These costs include professional design services for creating new décor schemes for Holiday's licensees, prototype room development and testing, specifications development, negotiating and contracting services for items that the licensee may buy through this program, web site updating and maintenance, and licensee support service expenses. The commission amounts to 0.5% to 3.0% for SRD items. The information below reflects operations as of the date of this disclosure document and is subject to change. Standard Room Décor commissions for the year ending December 31, 2024 were $5,600,000.

Suppliers:

If Holiday requires you to purchase equipment, furnishings, supplies or other products for the Hotel from a designated or approved supplier or service provider in the License, the Standards, or other communication to you, then you must purchase the mandated product unless you receive prior approval from Holiday to purchase such products from another source whose products meet such specifications. Holiday can designate the type and brand of products to be used at your Hotel to comply with the Standards.

Holiday can designate the designers, architects, contractors and suppliers who will perform Work and brand refresh work at your Hotel and who will provide brand specified products, such as fixtures or furniture, and services. You may otherwise purchase your equipment, furnishings and supplies for the Hotel from any source, provided that the products meet the specifications in the Standards, except for suppliers of certain components of the property-based technology and telecommunications systems and as may be noted elsewhere in this disclosure document.

Holiday may provide you with information and recommendations concerning firms which offer products and services (which the License and/or the Standards require you to use) which are necessary and useful to the operation of a Hotel, or which meet the Standards and specifications. However, Holiday has no ongoing obligation to provide purchasing information to you, and Holiday's practice and approach to this activity may change at any time. Your License does not require Holiday to engage in or continue these voluntary activities. We cannot guarantee that any vendor will extend or maintain credit or payment terms (including us and any vendors that are our affiliates).

In furnishing supplier or service provider information and making recommendations, Holiday uses its business judgment regarding the long-term interests of the Brand System as a whole, based on its information at that time concerning quality, performance, competitive pricing and similar factors. However, by identifying or recommending a supplier or service provider, Holiday makes no warranty to you of these or any other factors. Your use of an identified or recommended supplier or service provider, selling products or services meeting the Standards and specifications may make it easier for you to comply with the Standards and specifications, but it is not a substitute for compliance.

While Holiday may, from time to time, communicate with you or your suppliers/service providers regarding supply/service provider issues and take steps to improve performance or resolve complaints, Holiday has no responsibility for the financial condition or performance of any supplier or service provider.

Suppliers may offer Holiday the opportunity to take advantage of funds to support co-op marketing, training and other services that support the Brand System at national and hotel levels. When these options are available and selected, Holiday uses these funds as designated, and to the extent possible to benefit the Brand System, and the systems of Holiday's other brands which purchase from suppliers. SCH and its affiliates may enter agreements with suppliers and receive revenue attributable to purchases by licensees and by SCH and its affiliates.

Nothing in your License prevents Holiday from having an ownership interest in any other business, including firms providing products or services to you or providing procurement services to you. If Holiday has, or later acquires, an ownership interest in a product or service provider, Holiday has no obligation to maintain that interest or to refrain from disposing of it as Holiday sees fit.

No officer of Holiday currently owns any interest in an approved supplier or service provider.

The procurement program develops and supports purchasing programs and provides Brand System licensees with several valuable services. You can contact the procurement program by mail c/o IHG Procurement Program, Three Ravinia Drive, Suite 100, Atlanta, Georgia 30346 or by telephone during normal business hours of Monday – Friday 8:30AM – 5:00PM at its toll free support line 855-466-7877. Purchasing professionals will be available to assist you with any questions you may have regarding sourcing of products or services through the IHG Procurement Program.

IHG operates a procurement program, named the "IHG Procurement Program", with the endorsement of the IHG Owners Association. The IHG Procurement Program seeks to leverage the scale of the IHG hotel system to identify and provide access to suppliers of goods and services to deliver value to its licensees by providing cost effective buying opportunities with standardized commercial terms. Except for certain Standards or SCH specifications, you are under no obligation to use the IHG Procurement Program.

If you become an IHG Procurement Program participant, you will purchase goods and services directly from suppliers at the IHG Procurement Program's negotiated prices and commercial conditions. The relationship between licensee and supplier is that of buyer and seller. Unless Holiday requires you to purchase a product from a designated or approved supplier in the License, the Standards or other communication to you, you are not required to purchase from the IHG Procurement Program's suppliers or participate in the IHG Procurement Program in any way. You are free to purchase goods and services from any supplier, so long as the supplier fully complies with Holiday's and SCH's specifications and Standards.

The IHG Procurement Program collects a fee from suppliers based on a percentage of the actual sales between the supplier and licensees to fund the operation of the Program. Suppliers only pay a fee after a contract with a supplier is in place. If no purchases are made by licensees, then no fee is paid by the supplier to the IHG Procurement Program. Prices paid by licensees for goods and services as a participant of the IHG Procurement Program and/or under a Brand Standard/Specification Program may include up to a 6% fee. These fees cover the resource, travel, overhead, technology, development, administration, management, maintenance and tracking of the Program, and Program-related costs for the IHG Procurement Program. Occasionally, when goods and services are provided by a distributor ("Distributor") in connection with the IHG Procurement Program, service fees may be paid as a part of the price of the goods.

IHG may also utilize a group purchasing organization ("GPO") on behalf of a supplier. The GPO may also pay a rebate or allowance to the licensee based on the volume of your purchases. Allowances and rebates are received by licensees directly from suppliers through a GPO and will generally range from approximately 1% to 5% of the amount of the invoice price for the goods and services purchased by you from suppliers participating in the Programs.

Licensee buyers will have access to applicable rebate or allowance reporting information either through an authorized third-party reporting agency site or from the supplier. Such applicable allowances or rebates will be distributed to licensees either directly from suppliers or by a GPO.

The IHG Marketplace (technology buying program) receives contributions from suppliers made through negotiated contracts which IHG utilizes to manage the program and platform. The IHG Marketplace collects fees from two sources: (1) hotels for services such as IHG Connect, and IHG Groups & Events, and (2) vendors that use the platform to offer products and services to IHG hotels. These contributions cover costs associated with the platform.

Signage:

Your Hotel must display a primary sign that meets Holiday's specifications. The total signage package, including all additional signage, must also meet Holiday's specifications and it must be purchased from a Holiday approved sign vendor. A post-installation inspection fee will be included in the price from the Holiday approved sign vendor. Only Holiday approved sign suppliers are authorized to manufacture and install exterior signage.

Reservation System and Computerized Enhancements:

You must purchase equipment, software and services for property-level technology and telecommunications systems from third-party vendors whom Holiday designates or who meet Holiday's specifications (see Item 11).

"Private Network" Connecting Services:

You must purchase "private network" connecting services, or another solution Holiday specifies, for use in communicating with the Reservation System from Holiday's designated vendor. Your Hotel's private network will be connected to a fully managed router service with a certified interface to SCH's proprietary systems.

Property Management System:

You must install the certified equipment specified for the PMS as required by SCH. You must request a waiver to use an alternative source. The PMS equipment is also used for accessing the Reservation System. PMS equipment, software and maintenance are described in the Master Technology Services Schedule to the License (Exhibit B). You must purchase PMS training, implementation and hardware and software support services (see Item 6). You must also enter into a Joinder Agreement (found within Exhibit G-9) with Hewlett-Packard Inc. ("HP") in order to obtain the PMS system hardware, software and deployment services at your Hotel and for the procurement and installation of hardware, software, and installation services of a credit card solution at your Hotel.

Hotels will operate a computerized property management system (PMS) that has been certified by SCH and must maintain the PMS in conformance with the Standards of SCH. The PMS must have a database schema and shell which is approved by SCH, in order for the interface from the PMS to the Reservation System to work correctly. Hotels will be responsible for establishing and maintaining proper application access control to align with Payment Card Industry Data Security

Standards (PCI-DSS). Operating systems, database, and other programs must be maintained with current approved security patches that are fully supported by the software vendors. The PMS must be periodically updated and maintained to conform to SCH approved software versions, technology advancements and security requirements. This may require certain hardware and/or software components to be replaced or upgraded. At a minimum, the PMS hardware and software must be replaced at least every 48 months. PMS hardware includes server(s), workstations, printers, monitors, ups, back-up device, and associated network components.

In the twelve months ending December 31, 2024, SCH and its subsidiaries' net revenue from license purchases of PMS and Reservation System equipment, software, training and support services ("information technology program purchases") was $3,180,000, as indicated in the year-end financial statement of the Deployment – Profit and Loss Statement for the Global Technology division. SCH retains a portion of the project management charges from licensee information technology program purchases. Holiday estimates that more than 95% of gross revenue from licensee information technology program purchases are paid over directly to the information technology program purchase vendors and are not retained by SCH or Holiday. (The financial information provided in the Profit and Loss Statement for the Global Technology division is not generally available to licensees).

SCH has selected the premise-based Opera or Opera Xpress solution by Oracle as the required property management system to interface with and access the Reservation System for voco® Hotels with 150 rooms or more. voco Hotels with less than 150 rooms will utilize the Cloud PMS. You must enter into a license agreement with the supplier of the PMS. You must also obtain from the supplier of the PMS, for a fee, ongoing maintenance and support for all other PMS components, including software, PMS software upgrades and required brand standard system interfaces to the PMS (see Item 11). Oracle America, Inc. is the PMS Provider for the Opera and Opera Xpress PMS. Currently HotelKey is the only Cloud PMS provider but others may be added in the future.

You must also pay support fees for the other components of property-level systems, such as PMS equipment maintenance, and for other systems which interface to the Opera PMS system; such as the telecommunications system, the electronic door locking and keycard system, and the specialized sales software. Hardware and software maintenance fees may vary based on the number of rooms at the Hotel.

SCH's criteria and procedures for approval of this required supplier of the PMS software and its ongoing maintenance and support are not readily available to Brand System licensees, but SCH will provide them at your request. SCH will notify you of any discontinuation of these services.

NextGen Payments:

SCH administers a computerized payment card processing program, NextGen Payments ("NGP"). All Hotels are required to obtain and install NGP. NGP is a data security process designed to remove certain credit card information from IHG systems. Using PCI certified payment terminals, credit card data will be encrypted and converted to tokens before entering the PMS. SCH has contracted with FreedomPay to provide the tokenization application services. All hotels are required to use NGP or such successor payments program as may be implemented by SCH. Hardware and software systems required to connect must be fully operational when the hotel opens, with appropriate management and staff trained and competent to operate NGP at all times. Each licensee will be required to enter into a merchant processing application and agreement with Fiserv, the SCH-approved merchant service provider, and a participation agreement with FreedomPay and SCH (see Exhibit G-4).

Guest Internet Access – Bandwidth (IHG Connect):

For Guest Internet Access ("GIA") Bandwidth, a hotel will be required to use an approved SCH-certified provider and to sign an IHG Direct Hotel Participation Agreement with such provider as may be approved by SCH from time to time, the form of which is attached as Exhibit G-5 to this disclosure document. Estimates for infrastructure needs can vary greatly by location. Actual costs can only be obtained once vendor site surveys are completed, due to the unique building and construction circumstances of a given property.

Guest Internet Access – Hardware (IHG Connect):

For Guest Internet Access ("GIA") Hardware, a hotel will be required to install SCH approved Wi-Fi equipment and use an SCH approved integrator (an "Integrator") for the installation of Wi-Fi equipment. Estimates for infrastructure needs can vary greatly by location and building type. Due to unique building and construction of any given property, actual costs can only be obtained once Integrator site surveys are completed. The site survey will help determine the number and types of Wi-Fi equipment through a Wi-Fi heat map coverage diagram (see Item 6, Note 7)

Keycard System:

All Hotels must utilize an approved Keycard System that meets brand requirements. The estimated cost for the Keycard System will be $11,000 to $16,500 for a hotel with up to 100 rooms; $11,000 to $22,000 for a Hotel with up to 200 rooms; $11,000 to $27,500 for a Hotel with more than 200 rooms. This includes the server, key encoders, installation, and support. It does not include the cost of the locks for the doors themselves. You must obtain ongoing maintenance and support for the required Keycard System software, including upgrades and new versions. You must also obtain ongoing equipment maintenance for the Keycard System hardware. The Keycard System provider will bill and collect the fee from you for the required Keycard System hardware / software support. The costs will vary depending on the Hotel's specific technology needs, including the number of key encoders and servers at the Hotel. The Keycard System must interface with the Property Management System (PMS).

Televisions:

Hotels are required to provide televisions that meet the technical specification requirements and minimal diagonal screen size for in-room and public spaces.

In-Room Entertainment:

Hotels are required to install and maintain approved TV sets and/or STBs that are compatible with an approved SCH-certified integrator to install the equipment, connect guest room TVs to the data port behind the TV that connects to a switch using an ethernet cable, and must enter into an agreement with one of them. Monthly service fees will include a base per-room fee for guest support.

In the twelve months ending on December 31, 2024, SCH and its subsidiaries' net revenue from HBO service purchases was $410,000.

Employee Safety Devices:

Hotels are responsible for installing an alert system that enables employees to notify hotel management of an emergency with the push of a button ("Employee Safety Devices"). The Employee Safety Devices must be available to all employees that work in guest rooms, must instantly signal guest room and guest floor location when activated, must continuously update

guest room and guest floor location, and must be tested every six months. In addition, all new employees, including contract and temporary, must receive training on the Employee Safety Devices within the first 14 days of employment. Employee Safety Devices must be procured and installed by an approved supplier and meet defined requirements set forth in the Standards. You may be required to sign a participation agreement with an approved vendor for these services.

Public Access Computers:

Hotels are required to install designated workstations and a multi-function printer, providing complementary internet access to hotel guests in the Business Center ("Public Access Computers"). The Public Access Computers must be available 24 hours a day, must utilize SCH-approved security protection software and must include enrollment in a 24x7 support program offered by an SCH-approved vendor. In addition, all Public Access Computers are required to be refreshed every four years, a minimum of one computer must have Microsoft Office, and all must operate at the same or greater bandwidth port speed as other internet enabled devices on the Guest Internet Access network. You may be required to sign a participation agreement with an approved vendor for these services.

Food and Beverage Point of Sale ("POS") System:

All hotels must utilize an approved POS solution where appropriate, that meets brand Standards. You must obtain ongoing maintenance and support for the required POS software, including upgrades and new versions. You must also obtain ongoing hardware maintenance. The POS provider will bill and collect the fee from you for the required POS hardware / software support. Therefore, you must sign a third-party license agreement with the approved provider or with any other provider designated by SCH.

IHG Global Cabling & Infrastructure Standards Basis of Design (BOD):

Hotels are required to adhere to the IHG Cable and Infrastructure Standards Basis of Design (BOD), as it provides clear guidance on the Cable and Infrastructure requirements for all IHG projects and properties. This BOD standard is a minimum requirement; however, it will still require project specific IT infrastructure Design Development (DD) and Construction Design (CD) packages to fully address the specific needs of each unique project and property. These designs must also fully comply with all areas of the BOD, and all other referenced and related IHG BOD documents and standards.

The requirements of this IHG Cable and Infrastructure Basis of Design (BOD), shall apply as the design and build-out basis for all IHG projects and properties, unless specifically indicated otherwise with advance written approval. The infrastructure design, materials and installation for each project must adhere to and fully comply with the most current versions of all applicable referenced standards and specifications, laws, rules, standards, regulations, codes and ordinances of the country, federal, state, local and any other authorities having jurisdiction. Where the codes and standards requirements of any BOD areas conflict with each other, or are more stringent than other applicable codes, rules, regulations, and ordinances, the more stringent specifications shall apply. Deviations from any BOD Cable and Infrastructure design and performance requirements must be submitted in advance and require written approval from IHG, before any materials being purchased, or installed. Any failure or deviations to fully comply with all aspects of this Cable and Infrastructure BOD must be corrected at no additional cost to IHG.

IHG Merlin System:

SCH has designed a communication service known as “IHG Merlin” (http://ihgmerlin.com) and its messaging tool, currently known as “Hotel Bulletin,” which are the primary means of sending information from Holiday and SCH to licensees and in some cases, this may be the only manner in which Holiday and SCH communicate with Hotels and licensees. IHG Merlin and Hotel Bulletin will require you to access the Internet via third-party computer network communications service (“Internet Service Provider” or “ISP”).

IHG Merlin is an electronic information library providing up-to-the-minute information and documentation from SCH at your fingertips. IHG Merlin was created solely for Holiday’s various brand group Hotels and their employees. In some cases, information may be distributed to Brand System hotels only through IHG Merlin. Information may include: the Standards, PMS Manual, newsletters and informational memos from Holiday or SCH, Marketing Solicitations, etc.

To access IHG Merlin, you must select and pay a monthly fee for an ISP which meets the minimum specifications established by SCH. The monthly fee will include Internet access and support. This access will provide you with an e-mail account and access to sites on the Internet and World Wide Web. You may select an ISP from any source as long as it meets SCH’s exact specifications.

IHG Merlin requires a Microsoft Windows based (Windows 10 Professional or newer OS) PC and printer configured to SCH’s specifications. You may purchase the equipment from any source as long as it meets SCH’s exact specifications. SCH requires ongoing maintenance and support services of equipment that you may purchase from a third party.

IHG Merlin houses proprietary information to Holiday and its brands. Information you receive from IHG Merlin may be used exclusively in the performance of your rights and obligations under your License with Holiday regarding an IHG-branded hotel only. All such information must be treated as proprietary to Holiday and SCH and confidential. Your use and access to this information will be limited in accordance with Holiday’s or SCH’s express terms and conditions.

Other than as described above, neither Holiday nor SCH derives any other income from your purchase or use of the above -described computer systems.

Long-Distance Telecommunications, Program Management Commissions and Miscellaneous Services:

SCH has negotiated rates which are on file with the Federal Communications Commission with certain providers of long-distance telecommunication services to Brand System licensees, such as AT&T and Verizon, in consideration for assistance, program support or other services SCH renders to the providers in connection with their sales to licensees. You do not have to use these providers.

Insurance:

Holiday’s specifications for the amounts and types of required insurance coverage are specifically described in paragraph 8.B of the License. If you fail to procure or maintain the insurance coverages and limits set forth in paragraph 8.B, Holiday will have the right and authority (but not the obligation) to procure such insurance at your cost, including any costs incurred by Holiday for procurement and maintenance of such insurance. Holiday currently requires that you obtain a commercial general liability insurance policy (including coverage for product liability, completed operations, contractual liability, host liquor liability and fire legal liability) and business automobile liability insurance policy (including hired and non-owned liability) with single limit coverage for personal and bodily injury and property damage of at least $15,000,000 per occurrence naming

Holiday, SCH and their parents, subsidiaries and affiliates as additional insureds. In connection with all construction at the Hotel, you must require your general contractor to maintain commercial general liability insurance (including coverage for product liability, completed operations and contractual liability) and business automobile liability insurance (including hired and non-owned liability) with limits of at least $15,000,000 per occurrence for personal and bodily injury and property damage naming Holiday, its parents, subsidiaries and affiliates as additional insureds. Holiday also requires you to obtain employment practices liability insurance policy (including coverage for harassment, discrimination and wrongful termination and covering defense and indemnity costs) with a limit of $1,000,000 per occurrence and in the aggregate. The holder of the liquor license must also maintain liquor liability insurance with single limit coverage for personal and bodily injury and property damage of at least $15,000,000 per occurrence naming Holiday and its parents, subsidiaries and affiliates, (and Licensee if applicable) as additional insureds. You must also obtain: (i) employer's liability with minimum limits of $1,000,000 per occurrence; (ii) worker's compensation insurance; (iii) business interruption insurance to ensure the royalties, Service Contributions and any other sums payable to us (the policy should insure against 'all risks' of physical loss or damage, and be endorsed to provide for payments to be made directly to Holiday). Liability insurance premiums will depend on such factors as jurisdiction, exposures, type of Hotel, loss history, location and size of Hotel, payroll size and other factors.

Coca-Cola Agreement:

Pursuant to the Standards, Hotels located within the United States are currently required to participate in the IHG | Coca-Cola Beverage Program (the "Beverage Program"). You must sign a Participation Agreement with The Coca-Cola Company ("TCCC"), a copy of which is attached as Exhibit G-3, unless a waiver is granted by Holiday. Waivers may be granted by Holiday if your Hotel has a pre-existing beverage agreement with another supplier. Under the Beverage Program, participating Hotels are subject to the standards and requirements summarized below.

All participating Hotels are required to make available to guests a core set of TCCC bottled/canned beverages (subject to availability) that consists of Coca-Cola, Diet Coke, Sprite and Coke Zero Sugar. Hotels that serve fountain beverages are required to include Coca-Cola, Diet Coke, Sprite and Coke Zero Sugar. In addition, Hotels are required to serve Simply Orange (a TCCC juice product). All non-alcoholic bottled/canned beverages (including waters), fountain beverages, and juices offered, served, or sold by your Hotel must be TCCC beverages, unless a permitted exception in your Hotel's Participation Agreement applies. All beverages displayed and offered in coolers and vending machines must be TCCC products, with limited exceptions for equipment owned by the Hotel. You may also be required to sign a lease agreement with TCCC for TCCC-provided equipment; a copy of which is included as part of Exhibit G-3. Hotels may not serve, offer, or display any products of PepsiCo.

All non-alcoholic beverages served at meetings or events hosted by your Hotel should be TCCC products, unless serving non-TCCC beverages was required by the client as a condition of booking the function. In such circumstances, serving competitive beverages is permitted; provided that certain restrictions set forth in your Participation Agreement are followed. Third-party restaurant or bar outlets operating at the Hotel are not required to follow the Beverage Program but may do so at their discretion.

TCCC provides certain funding based on the volume of TCCC products sold in Brand System Hotels. Most of this funding is administered by a cross-functional Business Partnership Team with representatives from TCCC and SCH, who work to identify and execute opportunities to create value for TCCC and the Brand System. Some funding is received by SCH on behalf of the Brand System and utilized for the benefit of the Brand System and/or to promote the sale of TCCC beverages throughout the Brand System. In connection with such funding and as part of the Coca-

Cola Beverage Program, Hotels are required to participate in various promotional programs and marketing activities as directed by SCH.

Additional requirements or restrictions in the Standards or the Participation Agreement may apply to your Hotel. Unless clearly covered by a permitted exception stated in your Participation Agreement, exemptions to the Standards relating to the Beverage Program or to requirements of the Hotel Participation Agreement require written approval from Holiday or SCH pursuant to the waiver application process.

Groups360:

We currently own an interest in Groups360 LLC ("Groups360"), which provides lead generation services, meeting advisory services, and marketing services to participating Hotels in our Brand System and other hospitality companies. Groups360 collects commissions from participating Hotels in our Brand System for providing such services. If participating Hotels meet certain thresholds, we will receive additional equity interests in the company. In 2024, Holiday did not receive any distributions or additional equity interests from Groups360 as a result of licensed hotel purchases, but IHG did record its pro-rata share of Groups360's losses in our financial statements.

World Class Beverage Program:

Pursuant to the Standards, participation in the IHG World Class Beverage Program is required. Required participation applies to all Food & Beverage (F&B) venues where beverages are offered. All beverage selections must comply with the IHG World Class Beverage Program requirements.

At meetings and events, beverages served must adhere to the program guidelines unless an individual client insists otherwise. When minibars are provided, they must include products outlined by the World Class Beverage Program. You must participate in World Class Beverage Program promotional programs as directed by Holiday. Hotels with IHG approved leased and/or licensed outlets are required to comply with the World Class Beverage Program requirements.

Other Purchases:

Holiday or its affiliates may also offer you, on a non-exclusive basis, additional advertising materials, products, services, equipment or supplies. Holiday may earn a profit from these sales, but you are not obligated to purchase any of these products, services, equipment or supplies from Holiday or its affiliates. Holiday does not currently provide any material benefits (i.e. re-licensing or granting additional licenses) to a licensee based on its use of a designated or approved supply source.

ITEM 9
LICENSEE'S OBLIGATIONS

This table lists your principal obligations under the License 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	License: 1.A and Attachment A	Items 7 & 11

Obligation	Section in Agreement	Item in Disclosure Document
b. Pre-opening Purchases/leases	License: 3.A & 8.B and Attachment B MTSS: 4.3, 4.4 & Attachment 4-3 to Schedule 4	Items 5, 6 & 7
c. Site development and other pre-opening requirements	License: 13.J & Attachment B MTSS: 4.3, 4.4 & Attachment 4-3 to Schedule 4	Items 7, 11
d. Initial and ongoing training	License: 3.A and 4.A MTSS: Attachments 4-1 and 4-3 to Schedule 4	Items 5, 6, 7 & 11
e. Opening	License: 13.J and Attachments A & B	Items 5 & 11
f. Fees	License: 3.B and 3.C, Attachment A MTSS: 5.0 & Attachment 4-3 to Schedule 4	Items 5, 6 & 7
g. Compliance with the Standards and policies/ Operating Manual	License: 3.A, 4.E & F, 5	Item 11
h. Trademarks and proprietary Information	License: 3.A, 6 & 12.B MTSS: 4.2.8, 6.0	Items 13 & 14
i. Restrictions on products/services offered	License: 3.A MTSS: 3, 4, Schedules 2 and 3 & Attachments 4-1 & 4-3 to Schedule 4	Items 8 & 16
j. Warranty and customer service requirements	License: 3.A MTSS: 9.2.1	Item 11
k. Territorial development and sales quotas	None	
l. Ongoing product/service Purchases	License: 3.A, 8.B and 13.O MTSS: 3, 4.3 & Attachment 4-1 to Schedule 4	Item 8
m. Maintenance, appearance and remodeling requirements	License: 3.A, 4.D, 10 and 13.J and 13.O MTSS: 4 & Attachments 4-1 and 4-2 to Schedule 4	Items 5, 6 & 11
n. Insurance	License: 8.B and 8.C MTSS: 2.1	Item 7 (Note 10)
o. Advertising	License: 3.A & 3.B	Items 5, 6 & 11
p. Indemnification	License: 8.A MTSS: 2.1	Item 6
q. Owner's participation/ Management/staffing	License: 9.H	Items 6, 11 & 15
r. Records/reports	License: 7	Item 6
s. Inspections/audits	License: 3.A, 7.C & 13.J MTSS: 12	Items 6 & 11

Obligation	Section in Agreement	Item in Disclosure Document
t. Transfer	License: 9	Item 17
u. Renewal	None	Item 17
v. Post-termination	License: 7.A. and E MTSS13.1 & Attachment 4-1 to Schedule 4	Item 17
w. Non-competition covenants	License: 3.A (14)	Items 16 & 17
x. Dispute resolution	License: 13.A-E, H & I MTSS: 2.1	Item 17
y. Other: Capital reserve Note 1)	License: 13.O and 3.A(7)(i)	Item 6
z. Other: Guaranty	Attached to the License	Item 15

ITEM 10
FINANCING

Holiday does not offer any formal program for direct or indirect financing. Holiday, SCH or its affiliate, General Innkeeping Acceptance Corporation ("GIAC"), may furnish loans or guaranties. Holiday, SCH and GIAC consider making loans or guaranties under terms and conditions that would be negotiated on a case by case basis with the prospective licensee and any decision to make a loan or provide a guaranty would be made in the judgment of Holiday, SCH or GIAC alone, and conditioned upon approval of the Executive Committee and Board of Directors. It is your responsibility alone to obtain adequate financing for all expenses related to the development, opening and operation of the hotel.

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

Except as listed below, Holiday is not required to provide you with any assistance. Holiday can perform any or all of its obligations to you directly or through its parents, affiliates, subsidiaries or

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1/ In addition to your obligation to repair and maintain the hotel on an ongoing basis, and regardless whether Holiday has required you to establish a Capital Reserve, you must complete significant renovations of the Hotel, including, but not limited to, the public areas, guest rooms and guest room corridors. These mandatory renovations include replacement of Soft Goods at least every seven years after the date such Soft Goods were installed and replacement of Case Goods at least every fourteen years after such Case Goods were installed, although earlier or more frequent renovations or replacements may be required to maintain compliance with the Standards, quality and guest satisfaction programs or to remove risk of injury to persons or property and to comply with legal requirements.

If the Hotel experiences a change of ownership, the dates of these obligations may be adjusted at the time a change of ownership License is signed. You must submit your plans for such upgrading and remodeling to Holiday for its review and approval before you start upgrading or remodeling and upon completion of the upgrading or remodeling, you must provide to Holiday a written opinion from your architect, licensed professional engineer, or other third-party expert on the Americans with Disabilities Act ("ADA") certifying that the hotel as renovated complies with the ADA and with any other applicable laws, codes, ordinances, or regulations governing accessibility to persons with disabilities.

other designees. For example, SCH performs many of the activities described in this disclosure document.

Assistance Before the Hotel Opens:

Holiday is not responsible for acquiring the site for your Hotel. Holiday's representative may make a personal inspection of the site and the surrounding area, but Holiday does not grant or deny site approval. You are responsible for conforming the site to federal, state and local laws, ordinances, and building codes and obtaining required permits (e.g., health, sanitation, building, driveway, utility and sign permits, etc.).

Within 3 months after the date of the License, you must submit preliminary plans. Holiday will approve your construction plans for conversion or new development if they meet the requirements of the Standards. You may not start construction until you obtain Holiday's approval. Construction or remodeling costs and arrangements are your responsibility alone. Holiday may in the future require use of prototype plans, but Holiday does not currently provide or mandate them. You must commission and pay your architect directly.

You will have 6 months from the date of the License to submit final plans, specifications and drawings for the Hotel, including its proposed equipment, furnishings, facilities and signs, with the detail and containing the information that Holiday requests, and to commence construction. Unless Holiday grants your request for an extension to your construction completion deadline, you must complete construction and furnishing and obtain Holiday's authorization to open a new development Hotel for business within 12 months from the date of commencement of construction and within 18 months from the date of the License.

You may apply for an extension of the construction commencement or completion deadlines. Holiday will consider various factors which may influence your extension request, including the ability to obtain financing or building permits, zoning and local ordinances, weather conditions, shortages or delayed installation of equipment, fixtures and signs. Holiday's approval of extension requests is not automatic. You will be responsible for any expenses incurred by Holiday in processing the extension request. As Note 7 to Item 6 describes, there is a fee for extending these deadlines.

voco hotels Standards:

Before you purchase a license, you will have the opportunity to review a copy of the Standards. Holiday has the right to make the Standards available to you in hard paper copy or in digital, electronic or other computerized form (and may periodically change the format). The Standards contain mandatory and suggested specifications, standards, and procedures. All Hotels in the Brand System are subject to the Standards. The Standards are confidential and remain the property of Holiday and are protected by applicable copyright laws (see paragraphs 3, 4 and 6 of the License).

Specifications:

Before detailed construction documents are started by your architect, representatives of your Hotel must attend a kick-off meeting for consultation and coordination with Holiday. Various members of the voco® hotels team will be present to review all related business plans, target markets for operation, and building plans as well as scheduled timelines for the completion of these plans. Members of the voco® hotels team may include senior operations management and representatives from other areas, including, for example, sales and marketing, purchasing, information technology, and other license support systems. Holiday requires the following

representatives of your Hotel to attend the kick-off meeting: Principal Contact (licensee), General Manager (if appointed), Designer, Architectural Representative, General Contractor, and all other principals involved in the construction, development and marketing of the property. There is no charge for the kick-off meeting. However, you must pay your representatives' travel, lodging and living expenses.

Holiday will review your construction working drawings to check for compliance with the Standards of the Brand System. Holiday does not review the drawings for compliance with any local, state and federal law, including any obligations imposed by the Americans with Disabilities Act since this legal compliance is your responsibility.

Holiday provides written specifications for products and materials for you to use in the upgrading, construction and furnishing of the Hotel, in the form of a Product Improvement Plan or "PIP", which will be Attachment "B" to your License. The PIP provides: (i) specific renovations and alterations required to meet the requirements of the Standards and Holiday's quality requirements; (ii) specific dates by which you must submit plans and drawings; and (iii) beginning dates and interim milestone and completion dates for constructing the Hotel and for opening the Hotel for business. Any design work submitted by unqualified individuals hired by you will be rejected and your Hotel can be subject to Plan default, resulting in an assessment of fees under the terms of your License. The fee for such Plan default will be up to $5,000. You may be required to remove any non-approved product installed in your Hotel that has not been approved by IHG Plan Review before installation.

Holiday's Inspection Before Opening:

Holiday inspects and approves your Hotel before Holiday authorizes it to open to confirm that you have completed all of the requirements under paragraph 13.J and/or Attachment "B" of the License. In the event that your Hotel fails its opening inspection or you need to reschedule your opening date or any visits that have not yet been completed by Holiday, you may be charged a fee of up to $5,000 for each extension and/or additional visit. Holiday must approve your extension request in writing and you must pay any expenses Holiday incurs in processing the extension request.

Holiday may authorize you to use the Brand System at the Hotel before completion of the construction, upgrading and renovation work, if you are in full compliance with the requirements of the License (paragraphs 13.J and 13.O and Attachment "B" to the License).

You may acquire the signage, furnishings, fixtures, opening inventory and supplies from any source that meets Holiday's specifications and receives IHG approval before purchase or installation. For your convenience, Holiday has approved certain suppliers meeting its specifications, but you do not have to use those suppliers except for suppliers of certain components of the property-based technology telecommunications systems, brand hallmarks and as noted elsewhere in this disclosure document (see Item 8).

Time to Open:

For new development hotels, Holiday estimates that the length of time between signing of the License and completion of construction typically ranges from 18 to 24 months under normal circumstances. For conversion hotels, the length of time between the signing of the License and the completion of construction or upgrading typically ranges from 12 to 15 months. However, each license is subject to the agreed upon development deadlines contained in that specific license.

Other than the computerized property management and reservation system equipment (see below in this Item 11), Holiday and its affiliates do not deliver or install any of the construction items and/or furnishings. The factors that will affect the actual time needed include obtaining the financing, preparing final construction and site plans, securing necessary governmental approvals, constructing and furnishing the hotel and participating in the necessary initial training program.

Access to IHG Merlin:

Through the IHG Merlin Site, Holiday's parent, SCH, will provide documents, information and other materials including the Standards' documentation; sales and marketing tools; information about operations; quality and brand initiatives; news and announcements that are pertinent to your brand, IHG and the hospitality industry; training tools and resources, and technology support information to you through a web portal that you will access on IHG Merlin (www.ihgmerlin.com). Through this web portal, you will be able to access the forms and information that will assist you with opening and operating your Hotel. Your team will be able to access IHG Merlin regularly to use the sales tools and information resources that support your Hotel. You will be able to view and copy materials relating to the Brand System and other industry information. You must agree to keep all materials you receive from this program confidential.

Training:

Holiday does not assist in the hiring of your employees, but it will train certain Hotel employees either at your Hotel, at Holiday's headquarters in Atlanta, Georgia, or at various other major metropolitan locations which it may designate (Paragraphs 3.A and 4.A of the License). You must pay any travel and living expenses of your trainees, and Holiday may charge you a fee to attend training workshops.

TRAINING PROGRAM

Program	Time of Training	Location	Instructional Materials	Hours of On-the-Job Training	Method
Technical Support Training	Before and at Opening (with New Hotel Opening below)	Virtual, Atlanta or other designated regional location	Technology implementation materials	Class length will vary	E-learning, on property, and classroom instruction by implementation team
RAMP UP: Pricing, Activating, and Fueling New Hotels (Note 5)	30-60 days before opening	Virtual or Atlanta	Workshop participant guide training materials	Up to 9 hours	Location and number as determined by Holiday
Property Management System Training	Before and at opening	Your Hotel	Computer based pre-install e-learning and on-site classroom training just prior to opening day	Opera 12-28 man days	SCHPMS Vendor, or training contractor

Program	Time of Training	Location	Instructional Materials	Hours of On-the-Job Training	Method
Guest Internet Access (GIA) Hardware (IHG Connect)	Before and at Opening	Your Hotel, virtual option, videos	Functionality, Usage & Support Procedures	Up to 4 hours	Integrator Lead Technician
In-Room Entertainment	Before and at opening	Your Hotel or virtual/video options	Functionality Usage & Support Procedure	Up to 4 hours	Lead Technician
Employee Safety Devices	Before and at opening	Your Hotel or virtual/video options	Functionality Usage & Support Procedure	Up to 2 hours	Lead Technician
Public Access Computers	Before and at opening	Your Hotel or virtual/video options	Functionality Usage & Support Procedure	Up to 2 hours	Lead Technician
General Manager Program (Note 1)	Attend learning event 3-6 months after opening. For turnover - within 180 days after hire date	Virtual, Atlanta or other designated regional location	Online Onboarding Learning Plans, GM Training Materials	5 days	Senior Trainer
Director of Sales and/or Sales Account Manager Training (Note 2)	IHG Sales Professional Onboarding within 30 days of hire or assuming the position. IHG® Way of Sales – Solution Selling within 90 days of hire or assuming the position. Director of Sales Orientation for Lifestyle Brands within 120 days of hire assuming the position.	Virtual, Atlanta or other designated regional location	DOS Training Materials	Class length will vary	Senior Trainer
Front Office Manager Program (Note 3)	within 180 days of hire or assuming the position.	Virtual, Atlanta or other designated regional location	Online Onboarding Learning Plans, Operation, Strategies, and Action Plans	4 days	Senior Trainer
On-site property consultations (Note 6)	Varies	Your Hotel	Varies with consulting & training visits	1-3 days	Varies

Program	Time of Training	Location	Instructional Materials	Hours of On-the-Job Training	Method
Field support Consulting and Training/ Workshops (Note 4)	Varies	Your Hotel	Varies with consulting and training visits	Class length will vary	Varies with consulting and training visits
Chief Engineer/ Maintenance Supervisor/ Equivalent	Role specific certification within 180 days	Virtual, Atlanta or other designated regional location	Operations Strategies and Action Plans	Class length will vary	Location and provider as determined by Holiday
Food and Beverage Director/ equivalent (Note 4)	Required to attend the annual voco® Culinary Conference	Virtual, Atlanta or other designated regional location	Operations Strategies and Action Plans	Class length will vary	Location and provider as determined by Holiday
IHG® Way of Clean 5S Cleaning Program Leadership Certification for Executive Housekeeper	Within 90 days after hire date And Role specific certification within 120 days	Virtual, Atlanta or other designated regional location	Operations Strategies and Action Plans	Class length will vary	Location and provider as determined by Holiday
Leading the Brand Training for new Hotels (Note 2)	Within 30 days of opening	Your Hotel	Leading the Brand Training Materials	2 days	Senior Trainer
F&B POS	Before and at opening	Your hotel or remote	On-site or remote training by vendor for configuration set-up, training and Go Live support. Training materials will be provided.	18-23 days	Vendor Consultant

Note 1: Every General Manager must satisfactorily complete the IHG General Manager Program Onboarding Level within the dates required per the Standards (see Items 5 and 7). Holiday also recommends that the General Manager obtains the Certified Hotel Administrator (CHA) designation from the American Hotel & Lodging Educational Institute (AHLEI). Holiday conducts General Manager training virtually, in Atlanta or at other designated regional locations. General Manager training focuses on areas of operation that are unique to the Brand System and to management functions. If the General Manager leaves the IHG system for more than one year and returns, they must complete the Onboarding Level of the IHG General Manager Program within the first six months of starting in the role. All required core certification training is included in the annual subscription for IHG University. For in-person classes, you must pay for trainees' travel expenses or any training expenses incurred from any optional or supplemental courses that your trainees attend. Every General Manager must also attend annual retraining seminar(s) when designated by Holiday.

Hotels should allocate annual pre-determined amounts per full-time employee for optional value-add and specialist courses: Managers/Department Heads - $650; Assistant Managers/Supervisors - $450; Frontline colleagues - $250. Where the amount of the value-add and specialist training exceeds 2% of the Hotel's total salaries and wages budget, the Learning & Development allocation should be capped at 2% of the Hotel's total salaries and wages budget. This estimated budget amount is required for the consumption of IHG Value-Add and Specialist learning offers and the personal development of hotel employees through other various training programs, which also includes virtual and e-learning. We have provided these figures only so that we can help provide an estimate of costs; however, you will always be the only party – even with any estimates reflected in this FDD – that sets your staff's wages, salaries, and terms of employment, and we will not play any role in helping you set your staff's wages, salaries, or terms of employment.

Note 2:

Directors of Sales/Sales Manager/equivalent must also satisfactorily complete the appropriate sales initial certification training program for voco® hotels within the dates required per the Standards. Holiday will conduct the initial certification training program at a location determined by Holiday. The training program focuses on areas of sales that are unique to the Brand System and to sales functions. All required core certification training is included in the annual subscription for IHG University. For in-person classes, you must pay for trainees' travel expenses or any training expenses incurred from any optional or supplemental courses that your trainees attend (see Items 5 and 7). Also, each replacement Director of Sales or Sales Manager must complete the Sales initial certification training program described above within the dates required per the Standards. In addition, your Director of Sales, Sales Manager or equivalent must complete annual retraining requirements as Holiday may designate. Further, your Director of Sales must complete the Director of Sales Orientation for Lifestyle Brands within 120 days of hire.

General Managers and Hotel Experience Champions must each complete the Leading the Brand Training for New Hotels certification prior to the hotel opening. The cost for the training event is included in the annual subscription for IHG University. You may be required to purchase subsequent training materials to fulfill the ongoing training of new employees.**Note 3:**

Guest Service Managers/equivalent must satisfactorily complete the Front Office Training Program within 180 days of assuming the position. Holiday will conduct Front Office Training Programs virtually, in Atlanta or other designated regional locations. All required core certification training is included in the annual subscription for the IHG Learning Program. For in-person classes, you must pay for trainees' travel expenses or any training expenses incurred from any optional or supplemental courses that your trainees attend. You may be required to purchase subsequent training materials. The PMS provides a computerized front desk operation, and is designed to increase speed and productivity of front desk operational tasks (i.e. Check-In, Check-Out, Night-Audit, Housekeeping, Management Reports, etc.).

The IHG Concerto™ software and Revenue Management System (RMS) functionality with Price Optimization are proprietary to SCH, and must be used only in conjunction with the operation of the Reservation System and PMS in your Hotel. SCH will install, maintain and provide training and implementation support for IHG Concerto™. The RMS performs a task called "forecasting." Using data related to your Hotel from past years and a snapshot of your future bookings, RMS creates a detailed forecast of future business for your Hotel for the upcoming year. The RMS also produces inventory controls which are used in the sell process of your PMS and Reservation System. The forecast and inventory controls are updated a minimum of once a day and sometimes more often depending on reservation activity. The Hotel has access to RMS data via a User Interface, and therefore may view or change data as necessary.

There are four types of IHG Concerto™, Yield & Price Optimization database builds: Standard (12 months of 2-way data), Proxy (90 days of 2-way data), NHOP (day of opening) and Early (during pre-sale, inventory defined). A Standard build needs a minimum of one year of consecutive 2-way data before activation. A Proxy build needs a minimum of 3 months of consecutive 2-way data and 9 months of data from a comparable hotel. A NHOP or Early build is available 1-60 days from the time the hotel's inventory is fully activated and defined in the reservation system.

IHG Concerto™ RMS functionality with Price Optimization creates pricing recommendations based on competitive pricing, hotel demand forecasting, and hotel booking activities. The integration of Competitive Data into the RMS with Price Optimization may require a subscription fee to such competitive data.

Costs of between $30 and $120 may apply for competitive rate insight shopping. For hotels currently subscribing to RevenueStrategy360, these costs may be waived.

No rights of ownership in or to the IHG Concerto™ or any component of the PMS, including all component software and design features (including any software or equipment owned by third-parties) are transferred to you or a Hotel upon joining the Brand System. You will not acquire any rights to the IHG Concerto™ or any PMS component except a limited right to their access and use in accordance with the Master Technology Services Agreement and any third -party software licenses, and the License during your term as a licensee in good standing.

You may install only approved system components and software, and no other computer hardware or software.

Holiday and SCH have the right, at any time, to require immediate upgrade, supplement or replacement of computers and/or peripheral equipment or software that they determine has become obsolete. Currently there are no contractual limitations on the frequency or cost of this upgrading, supplementing or replacement or of equipment or software.

Holiday and SCH have independent access to the information and data collected by the PMS and Reservation System. There are currently no contractual limitations, other than confidentiality of guest history information, on Holiday's or SCH's right to access the information and data.

Note 4:

Food and Beverage Directors/equivalent must attend the Brand Orientation within 30 days of hire and must attend the annual voco® Culinary Conference. Holiday will conduct these trainings at a designated location. All required core certification training is included in the annual subscription for the IHG Learning Program. For in-person classes, you must pay for trainees' travel expenses or any training expenses incurred from any optional or supplemental courses that your trainees attend. You may be required to purchase subsequent training materials.

The minimum experience of the instructors that is relevant to the subjects taught and Holiday's operations is from 5 to over 25 years. Holiday personnel or consultants will provide on-site consulting and/or training visits to your Hotel as needed. Topics for review and discussion may include the Reservation System, Revenue Management, Service Management, Marketing and Training Programs/Promotions, brand service delivery and other operational and customer service areas. The General Manager, department heads and designated staff will develop Market Analysis, Revenue Planning, Sales Planning, Service Planning strategies and action plans during visits. You will receive these for review and follow-up with your General Manager. Your Hotel must participate in the on-site consulting and/or training visits or workshops. The General

Manager, designated department heads and designated staff must attend and participate. You must provide food, lodging, meeting accommodations, and equipment expenses for Holiday's designated trainers. Holiday develops operations and customer support training programs for staff at Hotels. The training is likely to include classroom, on-property and on the job training and will be mandatory.

The Guest Services manager or team members in other positions may participate in a 1-3 day hands-on learning program at a designated voco® hotel. Travel and living expenses are the responsibility of the attendee.

Holiday conducts training at periodic intervals depending upon the need and availability of trainees. Holiday's instructors are experienced within the industry and are trained to be effective instructors. You must pay all costs for attendance by your personnel in Holiday's courses. These costs include tuition, materials, travel and living expenses, whenever applicable.**Note 5**:

The Openings program provides services and training required to open a hotel in the Brand System, including Key Programs Training, post-opening support and other pre-opening consultations. The related Preopening Support fee is $8,500 and covers pre-opening support, including select training, materials, and post-opening support.

The General Manager and entire hotel staff must attend Key Programs Pre-Opening training at your property. A Holiday employee will visit your Hotel to assist in the Hotel's becoming a voco® hotel. The Holiday employee may train all Hotel management/ supervisory staff to deliver information to line-level employees. Generally, training topics include: the Standards, guest service skills, marketing and loyalty programs, service planning, quality measurement and life safety and security.

Your General Manager and front office staff must have access to IHG Concerto™ and complete necessary web-based training including: Get to know IHG Concerto™, IHG Concerto Home Page Overview, and Digital Check-In Training, all available at no cost.

The RAMP UP Program course will familiarize you with the key IHG systems, sales, and marketing support crucial for a smooth hotel opening process. General Managers, operations and sales leaders attending this multi-day course will learn the key concepts of Revenue Management and how to position your hotel for the best profit, understand and have hands on practice using the components of the reservation system to sell your hotel to potential guests and know how to locate the IHG tools and resources available to your hotel to maximize occupancy during your ramp up time frame at your new hotel. Your General Manager and other individuals designated as the system experts for your hotel must attend the Ramp Up program virtually or at a designated location. There are no additional fees for attending the workshop. Participants from all hotels are responsible for their own expenses for travel, meals and lodging if they attend the workshop in person. Attendance is restricted to hotels within 30-45 days of opening with an invitation from your opening manager. IHG reserves the right to cancel your registration if the hotel does not meet the criteria for participation.

Note 6: Holiday's employees will provide on-site consulting and/or training visit(s) to your Hotel each year. During the visit(s), Holiday's employee will engage in the Focus consulting process. Topics will include, for example: the Reservations and channel Systems, Revenue Management, Service Management, Marketing Programs/Promotions, IHG Concerto™ system and other operational and customer service areas. The General Manager, department heads and designated staff will develop Market Analysis, Revenue Planning, Sales Planning, Service Planning strategies and action plans during the on-site visit; you will receive these for review and follow-up with the General Manager after each on-site visit. Your Hotel must participate in the

on-site consulting, with mandatory attendance and participation by the General Manager, designated department heads and designated staff and suggested attendance by representative of Licensee and/or owner. You must provide food, lodging, meeting room, and equipment expenses for Holiday's employees.

Note 7: If you are required to purchase subsequent training materials for any of the training programs described in Item 11, Holiday estimates that such subsequent training materials will cost no more than a total of $5,000 per hotel for all trainees combined.

Other Assistance During the Operation of the Hotel:

After the opening of the Hotel (see Paragraph 4 of the License), Holiday will:

(a) seek to maintain high standards of quality, cleanliness, appearance and service at all Hotels using the Brand System, to promote, protect and enhance the public image and reputation of the voco name, and to increase the demand for services offered by the Brand System. Holiday's judgment in these matters will be controlling in all respects, and Holiday will have wide latitude in making its judgments;

(b) provide required and optional training programs at various locations, including Holiday's headquarters;

(c) provide access to reservation services, if you are in compliance with your material obligations under the License;

(d) use the “Services Contribution” (see Item 6) for marketing, reservations, and other related activities which, in Holiday’s sole business judgment as to the long-term interests of the Brand System, support marketing, reservations, and other related functions. Holiday will make available and use Services Contribution funds computed on the basis generally applicable to licensees of the Brand System. Services Contributions are not intended to benefit any specific market or hotel. Holiday and its affiliates have no obligations to spend from Services Contributions, or otherwise, any amount fixed or proportionate to the amount of Services Contributions you pay, nor do Holiday or its affiliates have any obligation to ensure that Licensee benefits directly or proportionately from Services Contributions paid or expenditures made from collected Services Contributions.

Advertising or promotional support or funding may become available to SCH, Holiday or their affiliates from third parties on account of the totality of the activities of SCH, Holiday and their affiliates, including Hotels operated under the Brand System. Holiday, SCH or their affiliates can use or designate any of this support and/or funding to benefit their enterprises as a whole, in whatever proportion and manner as they decide reasonably promotes their enterprises as a whole, using reasonable, good faith business judgment. This advertising and promotional support does not include the revenues SCH and its affiliates earn from licensing their intellectual property rights to co-branded credit card issuers, from granting access to the Loyalty Program to co-brand credit card issuers, or to certain amounts earned from credit card member acquisition fees and the sale of Loyalty Program points to third parties;

(e) if Holiday determines to do so, communicate to you improvements and developments in the Brand System, including developments in reservation services, marketing, operations, and administrative technical and support functions, facilities and programs. Holiday may enter into arrangements with any other entity for developments to the Brand System and may use any of these facilities, programs, services or personnel in connection with the Brand System or in connection with any business activities of its parents, subsidiaries, divisions or affiliates; and

(f) make available to you consultation and advice pertaining to problems you encounter in operations, facilities and marketing.

Services Contribution; Advertising, Marketing and Promotion:

Hotels that SCH or its affiliates own and manage and all Brand System licensees must pay the Services Contributions specified in Paragraph 3.B of the License and summarized in Item 6 of this disclosure document. Holiday will use these funds as it determines to develop, support and/or administer marketing, reservation and training programs. The Services Contribution cannot be used to cover the cost of maintenance, repair, modernization, renovation, or upgrading of your Hotel. Holiday and its affiliates are not responsible for any of these costs. Funds from Services Contributions will typically be invested in activities that strengthen the brand such as awareness advertising, research, and the development of new or improved services, but may include tactical marketing initiatives more focused on short term revenue enhancement and seasonal marketing programs. The Services Contributions do not include costs which you incur in the acquisition, installation or maintenance of reservations services, equipment or training, or in your own marketing activities. Holiday can change the Services Contribution from time to time. Holiday may, on 30 days advance written notice, at any time during the term of your License, and from time to time, increase the Services Contribution by up to 1% of Gross Rooms Revenue. If Holiday increases the Services Contribution in this way, then Holiday cannot make another discretionary increase again for 24 months after the start of a prior increase. Holiday may increase the Services Contribution by a maximum of 2% of Gross Rooms Revenue over the term of your License.

Funds used for marketing programs will be used for developing, preparing, producing, directing, administering, conducting, maintaining and disseminating advertising, marketing, promotional, and public relations materials, programs and campaigns, publishing a directory of hotels and conducting market research. Advertising conducted under Holiday's marketing programs may be national, regional or local in scope. Holiday will use all types of media that it determines are appropriate, including print, radio, television and outdoor billboards. Any advertising Holiday creates will be created either by its in-house advertising department or outside advertising agency.

The Loyalty Program and your required contributions to the Loyalty Program are described in Item 6. Holiday's Senior Vice President, Global Loyalty and Partnerships administers the Loyalty Program. The financial information of the Loyalty Program is included within an audited Statement of Revenues and Expenses that is made available for review to the appropriate IHG Owners Association's brand marketing committee under a confidentiality agreement, and is not generally available for distribution. In the most recently concluded twelve-month period ended December 31, 2024, the Loyalty Program and Status Program contributions were used as follows: 78% on award costs, 17% on member communication/promotions, 3% on administrative expenses, and 2% on services from corporate allocations such as Information Technology and the Service Center. The audited Statement of Revenues and Expenses will be prepared each year; however, it is not generally available for review by licensees, and Holiday does not provide periodic accounting reports.

Holiday pools Services Contributions from voco® hotels together with the Services Contributions from hotels operating under one or more of Holiday's and its affiliates' current and/or future portfolio of brands (see Item 1) ("IHG Portfolio Brands"). The Services Contributions will be distributed for marketing, reservations, IHG System Fund Activities (defined below), and other related activities which, in Holiday's and its affiliates' sole business judgment, support marketing, reservations and other related functions and/or purposes on a local, regional, national, continental or international basis for all, or a group of, IHG Portfolio Brands. "IHG System Fund Activities" means various activities and arrangements organized and operated by Holiday and its affiliates

to provide loyalty marketing services, distribution marketing services, brand marketing services and other marketing and related programs and services for Brand System Hotels and the IHG Portfolio Brand Hotels. Holiday has no obligation to spend any amounts on advertising in the vicinity of your Hotel nor does it have any obligation to expend any amounts for marketing or reservation services greater than the amounts it receives from licensees using the Brand System and the funds it contributes. Services Contributions are not intended to benefit any specific market or hotel. Holiday and its affiliates have no obligation to spend from Services Contributions, or otherwise, any amount fixed or proportionate to the amount of Services Contributions you pay, nor does Holiday or any of its affiliates have any obligation to ensure that you, your hotel, the voco® brand or any other particular IHG Portfolio Brand or group of IHG Portfolio Brands benefit directly or proportionately from Services Contributions paid or expenditures made from collected Services Contributions. Holiday anticipates that all Services Contributions will be expended during the taxable year within which the contributions are made. Any year-end surplus or deficit sums are carried over to the following year. Holiday does not use any Services Contribution monies to promote the sale of licenses.

In the fiscal year ended December 31, 2024, 51% of the marketing funds went for media, advertising, promotions and marketing programs, 18% for sales, 7% for hotel performance support, 5% for administration (e.g., corporate functions) and 20% for other costs. Unless you participate in any optional marketing programs that Holiday may offer, neither Holiday nor its affiliates will receive payment from additional marketing contributions other than those mentioned in Paragraph 3 of the License and Item 6 of this disclosure document.

You may conduct local and regional marketing programs and related activities, but only at your expense and subject to Holiday's requirements, such as proper usage of its trademarks, etc. Holiday may make reasonable charges for optional advertising materials that you order or use for these programs and activities. Your participation in a Hotel Marketing Association ("HMA") or Co-op Program is voluntary. HMAs and co-ops are marketing arrangements which licensees form to achieve greater marketing power through their combined resources within a common geographic area. Holiday does not currently intend to establish an advertising council composed of licensees or to establish local or regional advertising cooperatives. Consequently, Holiday will not, nor does it intend to, have any controlling voting power in any cooperatives, although it reserves the right to do so.

Reservation System, Revenue Management, Telecommunications Systems and Property Management Technology:

The property management system technology and telecommunications system include the following components, which you must purchase from designated third-party vendors or third-party vendors whose equipment and software meet Holiday's specifications:

- Access to the Reservation System, IHG Concerto, and the GDS
- Access to the Revenue Management System (RMS) functionality through IHG Concerto platform
- Property Management System (PMS) hardware, software, training and support from PMS Provider
- PMS interface to SCH systems
- All required workstations and printers

- Local area network and wide area network connectivity
- HSIA for Hotel's operations (front office network)
- Access to IHG Merlin, the Internet-based information delivery service for Holiday's various brand group Hotels
- Presence on the Hotel brand internet sites.
- Approved IHG Admin Program for personal computers and servers on the IHG network.
- A computerized payment card processing program, NextGen Payments ("NGP") or such successor payments program as may be administered by SCH (see Item 8).

You must purchase all private network connecting services equipment needed to communicate with the Reservation System for any vendor designated by Holiday.

Prior to your Hotel's opening, you must enter into certain third party license agreements under which you receive a license to use certain software, including the PMS software, from the PMS Provider. You must also enter into support agreements with certain technology support vendors or their designated agents and pay the fees described in Item 6 for maintenance and support services. You must also enter into a Joinder Agreement (Exhibit G-9) with Hewlett-Packard Inc. for the use of the PMS system for your Hotel.

Currently, Brand System Hotels 150+ rooms must use the Premise-Based Opera or Opera Xpress property management system. Oracle America, Inc. of 7031 Columbia Gateway Drive, Columbia Maryland 21046-2289 (whose phone number is 443-285-8000) is the only supplier of Opera software licenses and support services. As you will use the Opera property management system, before it is installed and activated, certain members of your staff may participate in e-learning prior to trainer's arrival on-site at the Hotel. Once trainers arrive, the staff will receive on-site training and certification from Oracle America, Inc. in the use of the PMS. The staff that must be trained and certified varies with the size of your Hotel. The cost for this training and certification is included in the projected license fee and installation cost estimates – see the estimated costs for the equipment, installation, software and training for the PMS and Reservation System in Item 5 of this disclosure document.

Brand System Hotels with less than 150 rooms have the option to use Premise-Based Opera or Cloud PMS. As of the date of this disclosure document, HotelKey of 4100 Midway Road, #2115, Carrollton, Texas 75007 is the only approved Cloud PMS supplier. SCH may designate other cloud-based PMS providers in the future.

Through one or more "private network" connecting services, or another solution as specified, the PMS enables you to receive reservations from the Central Reservation Centers, or any other voco Hotel, travel agencies and your own Hotel. The Reservation System software is custom configured to SCH's requirements. You may install only computers, components or peripheral devices and equipment meeting SCH's specifications for the PMS and Reservation System. You may obtain the hardware from SCH or any third -party vendor that meets SCH's specifications. You must periodically upgrade the equipment to accommodate enhanced versions of PMS, as provided in the Master Technology Services Schedule. SCH will provide or arrange for training and implementation support, as described in the Master Technology Services Schedule, and has entered into agreements with service providers for maintenance for the PMS. SCH or the provider will bill you for these services. See Item 7 for expenses relating to travel and on-site support.

The PMS provides a computerized front desk operation, and is designed to increase speed and productivity of front desk operational tasks (e.g., Check-In, Check-Out, Night-Audit, Housekeeping, Management Reports, etc.).

IHG Communication to Brand System:

IHG's online system, IHG Merlin, and its messaging tool, currently known as Hotel Bulletin, is the primary means of sending information from Holiday and IHG to licensees, and in some cases, this may be the only manner in which Holiday and IHG communicate with Hotels and licensees.

Secondary means of communication may include, for example, correspondence through either expedited or standard mail delivery, multimedia platforms such as Video, CD and DVD, fax service, regional meetings and conferences, and personal meetings.

Web Sites:

Holiday may establish and operate websites, social media accounts, applications, keyword or ad word purchasing programs, or other means of digital advertising on the internet or any electronic communications network (collectively, "Digital Marketing"). Holiday will control all aspects of any Digital Marketing, including those related to the Hotel. Holiday will operate and maintain a website for IHG Portfolio Brand Hotels, which will include basic information related to the Hotel.

If you choose to operate an independent website (which operation shall be at your own expense), you or your agent, must follow the guidelines contained in the Standards for independent websites (e.g., the Standards for Search Engine Marketing and the Standards for Email). Further, if Holiday is already marketing your Hotel via its global Performance Marketing programs, and if you choose to do additional online marketing for your independent website, you may be driving up your performance marketing costs and lowering your ROI because there may be two competing websites. You may not register any of the Marks (defined in Item 13), as part of any domain name or Uniform Resource Locator ("URL"), and/or display or use any of the marks or other intellectual property rights related to the Brand System or to any of the other brands licensed by Holiday in connection with any web site, social media site, social networking site, or any other digital site without Holiday's prior written approval. You must comply with all of Holiday's web site requirements in connection with any web sites you develop and maintain relating to your Hotel.

Other than as mentioned in this disclosure document, Holiday is not bound by the License or related agreements to provide supervision, assistance or services to you before opening or during operation of your Hotel.

ITEM 12
TERRITORY

Holiday does not typically grant licenses for exclusive areas or territories. The License will be for a specific site only and for the licensing of one Hotel. The License applies to the location specified in the License and to no other location. You will not receive an exclusive territory. You may face competition from other licensees, from hotels that Holiday or its affiliates own, or from other channels of distribution or competitive brands that Holiday or its affiliates control.

You may not promote, implement or be responsible for any web site relating to your Hotel without Holiday's advance written approval. You may not register any of the Marks (defined in Item 13), as part of any domain name or Uniform Resource Locator ("URL"), and/or display or use any of the marks or other intellectual property rights related to the Brand System or to any of the other brands licensed by Holiday in connection with any web site, without Holiday's advance written approval. You must comply with all of Holiday's web site requirements in connection with any web

sites you develop and maintain relating to your Hotel. The License does not otherwise limit the channels through which you may solicit customers for your Hotel.

The License does not limit Holiday's right or the rights of its parent, or any subsidiary or affiliate of Holiday, to use or license the Brand System or any part of the Brand System, or to engage in or license any business activity (including business activities referenced in Item 1, which sell similar products and services) or to license any other hotels (or any other hotel brands). These rights include, for example, the licensing, franchising, ownership, operation and/or management of lodging facilities and related activities under the names and marks associated with the Brand System and/or any other names and marks. There is no restriction in the License on Holiday's using any channel of distribution to solicit customers for Holiday's and its affiliates' hotels, whether operating under the marks licensed to you or other marks. Holiday and its affiliates are not restricted from establishing other licenses or company-owned outlets or other channels of distribution through which services or licenses under different trademarks might be offered. The License creates no rights of any kind for you in these other hotel brands and/or businesses at any other location. The License grants you no options, rights of first refusal or other rights to acquire additional licenses.

In special circumstances, when in Holiday's sole judgment, special considerations warrant, Holiday may grant exclusive or protected areas in which it will not license another voco Hotel; however, in such cases the License would still be for a specific site only and for the Licensing of one hotel only.

Holiday licenses numerous hotel brands – see Item 1. Holiday may license other hotel brands in the future. There may currently be licensed, company-owned hotels or company-managed hotels operating under Holiday's brands situated in or near your area. Holiday and its affiliates may establish new licensed, company-owned or company-managed hotels operating under Holiday's brands in or near your area. You may compete with any other hotels operating under Holiday's brands in or near your area. Hotels operating under Holiday's brands (including the same brand as your Hotel) may solicit reservations from customers in your area for which you will receive no compensation.

Holiday uses the same principal business address for its operation of all its hotels brands and Holiday does not maintain physically separate offices for its various brands. Holiday does offer some physically separate training facilities for some hotel brands. There is no mechanism for resolving any conflicts that may arise between your Hotel and other licensed, company-owned hotels or company-managed hotels operating under Holiday's brands. Any resolution of conflicts regarding location, customers, support or services will be entirely within the business judgment of Holiday and its affiliates.

ITEM 13
TRADEMARKS

Holiday grants you the right to operate a Hotel under the trade names, trademarks, service marks and logos used to identify your Hotel. In accordance with the Master License (see Item 1), Holiday has obtained from SCH, for a constantly renewing 25-year term, the right to use and license the use of marks associated with the Brand System including without limitation the marks "IHG," "voco," and associated logos. If either Holiday or SCH elect not to renew the Master License, expiration will take place 25 years from the date of the non-renewal notice.

The following trademarks, service marks, trade names, logos and other commercial symbols ("Marks") are currently registered on the Principal Register of the U.S. Patent and Trademark

Office, and all required affidavits and renewals, if any, have also been filed. All registrations are on the Principal Register unless otherwise indicated.

Trademark	Reg. No.	Reg. Date
VOCO AN IHG HOTEL and logo	6127277	08/18/20
VOCO AN IHG HOTEL	6127276	08/18/20
VOCO	6104718	07/21/20
*IHG	3544074	12/09/08
*IHG	4921698	03/22/16
IHG HOTELS & RESORTS	7080612	06/13/23
IHG ONE REWARDS	7198265	10/24/23
IHG 1 ONE REWARDS (logo)	7198175	10/24/23

*Incontestable Registrations
There are currently applications pending on the Principal Register of the United States Patent and Trademark office for the following Marks:

Applications:

Trademark	App. No.	App. Date
VOCO BY IHG	TBD	02/07/25
VOCO	98747829	09/12/24
IHG Hotels & Resorts Logo (Centered)	98403931	02/13/24
IHG Hotels & Resorts Logo (New)	98411808	02/20/24
IHG Hotels & Resorts (Right)	98417739	02/23/24

The “Marks” consist of the name and mark "voco" and the other service marks, trademarks, trade names, slogans, commercial symbols, logos, trade dress, copyrighted material and intellectual property associated with the Brand System, including those which Holiday may designate in the future and those which Holiday does not designate as withdrawn from use.

There are no effective determinations of the U.S. Patent and Trademark Office, Trademark Trial and Appeal Board, the Trademark Administrator of any state or any court, and no pending interference, no known infringing use or opposition or cancellation proceedings or any pending material litigation involving the Marks that could materially affect your use of the principal trademarks except as stated in this Item 13.

Other than the IHC License Agreement (see Item 1), the Master License (see Item 1), and the SCL License Agreements (see Item 1), there are no agreements in effect which limit the rights of Holiday to use or license the Marks in any manner material to the license.

You may not register any of the marks as part of any internet domain name or Uniform Resource Locator (“URL”), and/or display or use any of the marks or other intellectual property rights related to the Brand System in connection with any web site, social media site, social networking site, or any other digital site (see Item 11).

The License restricts your use of the Marks, and you must use the Marks and all forms of identification that are seen by members of the consuming public or used to identify the Hotel to actual or prospective consumers only in compliance with Holiday’s requirements. The restrictions

and requirements that limit your use of the Marks and identifications apply to all formats (including print, electronic and other media) and include domain names, URLs, social media sites, social networking sites, other digital sites, and other identifications or elements used in electronic commerce.

You may use the Marks only in connection with the operation of the Hotel during the License Term, following opening of the Hotel in the Brand System or at any earlier time that Holiday authorizes. You may use the Marks only in the manner that Holiday authorizes, and in no way that would tend to allow the Marks to become generic, lose their distinctiveness, become liable to mislead the public or be detrimental to or inconsistent with the good name, good will or favorable reputation and image of the Marks or Holiday. Under the License, any unauthorized or unpermitted use of the Marks will be considered infringement of Holiday's rights.

You must also notify Holiday promptly of any objections, demands, controversies, allegations or actions asserted or taken by third parties involving any of the Marks or any part of the Brand System of which you become aware and of any potentially infringing or unauthorized uses of any of the Marks or any part of the Brand System of which you become aware. You must sign any documents Holiday or its counsel consider necessary to protect the Marks or any part of the Brand System and obtain or maintain their continued validity and enforceability. However, the License does not require Holiday to take action against infringers or to indemnify or defend you if you are a party to a proceeding involving the Marks.

SCH, Holiday and their affiliates have the right to control any administrative proceedings or litigation involving a trademark licensed by Holiday to you. SCH, Holiday and their affiliates have the sole right and responsibility to handle disputes concerning use of all or any part of the Brand System, at their expense. You must cooperate fully with SCH, Holiday and their affiliates in these matters. Any sums SCH, Holiday or their affiliates recover as a result of disputes with third parties regarding use of the Brand System are theirs. You may not initiate litigation against infringers to enforce or protect the Brand System.

The naming of the Hotel is Holiday's sole decision. Unless Holiday otherwise agrees in writing, the name of the Hotel will be the name set forth at the beginning of the License. The name of the Hotel may not be changed except at Holiday's sole decision.

Modification or Discontinuation of Marks:

If Holiday modifies or discontinues use of any of the Marks licensed to you as a result of any proceeding or settlement, then you must comply with Holiday's instructions in order to implement the modification or discontinuation. You will have no right to any compensation or other remedies from Holiday or any of its subsidiaries, affiliates or parents due to any modification or discontinuation of any of the Marks.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Holiday and/or its affiliates claim copyrights on the proprietary information in the Standards, Holiday's other manuals, and certain software, forms, advertisements, promotional materials, printed materials, slogans, displays and other written materials. If you learn of any unauthorized disclosure or use of Holiday's proprietary or copyright information, you must inform Holiday immediately. Holiday and you must comply with Holiday's reasonable requirements concerning confidentiality of information.

On September 19, 2019, the USPTO issued SCH a utility patent for a “Universal Redemption Vehicle” (which vehicle supports the “Redeem Anywhere” concept) under Patent No. 10,417,645. This patent is valid until April 20, 2026.

Holiday and/or its affiliates claim copyrights on the proprietary information in the Standards, Holiday’s other manuals, and certain software, forms, advertisements, promotional materials, printed materials, slogans, displays and other written materials. If you learn of any unauthorized disclosure or use of Holiday’s proprietary or copyright information, you must inform Holiday immediately. Holiday and you must comply with Holiday’s reasonable requirements concerning confidentiality of information.

Except for the Master License, Holiday's right to use or license the above copyrighted items is not materially limited by an agreement or known infringing use.

There are no currently effective determinations or proceedings pending in the Patent and Trademark Office, Copyright Office, or any court with respect to any copyright.

The obligations of Holiday and you under the License to protect your respective rights to use the above-referenced copyrights parallel those described in Item 13 of this disclosure document pertaining to trademarks, service marks, trade names, logos and commercial symbols.

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

Whether you are an individual, corporation, partnership or other entity, Holiday requires you to retain and exercise direct management control over the Hotel's business at all times unless otherwise approved by Holiday. However, Holiday does not require that you participate personally in the direct operation of the Hotel. Holiday may include conditions in your License requiring you to hire a duly qualified and experienced (i) management company acceptable to Holiday or (ii) General Manager, Director of Sales or Food and Beverage Director with at least two years prior experience in such position at a hotel operated under any of Holiday’s upscale brands or at a hotel in a similar brand segment as the Hotel, as defined by Smith travel Research, Inc. Regardless of whether you or a third -party management company operate your Hotel, a General Manager, Director of Sales, Food and Beverage Director, Guest Services Manager, Chief Engineer, Executive Housekeeper and Sales Manager employed by you or your management company must each work exclusively for your voco® Hotel at all times, and if you own more than one voco® Hotel or other hotels, you must have a separate, qualified General Manager and Director of Sales for each Hotel including all hotels that are dual branded. You must obtain Holiday’s written consent before entering into any lease, management agreement or other similar arrangement for the operation of the Hotel or any part of the Hotel with any entity. Holiday may require that any management company you hire have experience in managing hotels similar to voco® Hotels.

If Holiday requires that you hire a management company, General Manager, Director of Sales, or Food & Beverage Director to operate your Hotel, it may require that you hire this company or person within a specific period of time either after signing your License or before the date your Hotel opens in the Brand System. You must notify Holiday in the designated timeframe before hiring or changing your management company for any reason. These conditions would be determined by Holiday and contained in your License. Holiday may reject a proposed management company if Holiday determines that it is inexperienced in the hospitality business, generally unqualified to operate the Hotel or unwilling or unable to: (1) comply with all requirements of Holiday under the License and the Standards, (2) cease operating the Hotel as

a Holiday licensed Hotel once the License terminates or (3) treat the terms of the License as superior over any conflicting terms in the agreement between you and your management company.

Holiday may determine that you are not qualified to operate the Hotel, and if so, Holiday will require you to retain a management company to operate the Hotel. Normally, Holiday does not require that you engage it or one of its affiliates as the management company in order to obtain a License. Occasionally, because of the distribution of company managed hotels in a particular geographic area, or other factors, Holiday may determine that the development or conversion of a Hotel is appropriate only if one of its affiliates manages the Hotel. In that case, Holiday may condition the granting of a License on one of its affiliates managing the Hotel.

You may hire a General Manager and all staff members and/or employees of your own choice without Holiday's advance approval. The General Manager and other department heads and staff, including Directors of Sales, must attend Holiday's training programs (see Item 11 of this disclosure document).

Holiday does not impose restrictions, nor does it require you to impose restrictions, on any of your employees. However, Holiday and you agree to comply with each other's reasonable requirements concerning confidentiality of information, and in particular, you may not disclose without Holiday's written permission information pertaining to Holiday's marketing and reservation programs that has not yet been disclosed to the public.

Holiday requires that any management agreement between you and a management company be in writing, and that the agreement contain certain provisions including, for example the following: the management company accepts, agrees to abide by, and is subject to all rules, regulations, inspections and requirements of Holiday; you and the management company will cease operating the Hotel as a voco® Hotel if the License terminates; you and the management company must agree that the License prevails over the terms of the management agreement if there is any conflict in terms; you and the management company must agree that Holiday's consent to the management agreement or approval of the management company does not relieve you or any guarantor of any obligations under the License; and, you and the management company must keep the confidentiality of trade secrets described in Item 14, and follow the covenants not to compete described in Item 17. Holiday may request at any time a copy of your management agreement for review to determine compliance with requirements of the License.

Holiday will require that you enter into a IHG Voice Reservation Service or Revenue or Commission Services contract with Holiday's parent, SCH, if Holiday's Franchise Approval Committee determines that its approval of your application should be conditioned upon one or more of those services being obtained (see Item 6, Notes 15 and 16 and Exhibit G-1 and G-2).

If you hire a management company, General Manager or Director of Sales to operate the Hotel for you, whether or not Holiday required you to hire these positions, you and any of your guarantors remain liable to Holiday and IHG Technology Solutions LLC under the terms of the License, the Master Technology Services Agreement and any Guaranty.

Even though any management company must be acceptable to Holiday, you remain solely responsible for the selection, conduct and performance of any required management company, General Manager and all staff members and employees and Holiday has no responsibilities or liability in connection with your selection and its, his or her conduct or performance.

Holiday does not require the on premises management company or General Manager to have an equity interest in the licensed business.

You or your management company, whichever may be applicable, will be the sole employer of the employees working at the Hotel. Holiday does not direct or control employment policies, discipline, recruitment or termination. You or your management company will be solely responsible for all employment decisions, regardless whether you have received guidance with respect to such matters from Holiday.

If you are an entity, then, based on Holiday's examination of your financial reports and the financial reports of any proposed guarantor, Holiday may require your shareholders, partners, members or affiliates to sign a "Guaranty" of the License, a copy of which appears as part of the License in Exhibit B to this disclosure document. This document guarantees immediate payment and performance of each of your duties, requirements and obligations under the License, both financial and nonfinancial, if you default.

ITEM 16
RESTRICTIONS ON WHAT THE LICENSEE MAY SELL

You must provide the Hotel services described in Attachment A to your License and must ensure that no part of the Hotel or the Brand System is used to facilitate or promote a competing business. There are no restrictions as to the customers to whom you may sell guest rooms or other goods or services that are related to your Hotel business.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE LICENSE RELATIONSHIP

Provision	Section In Agreement	Summary
a. Length of the license term (Note 1)	License: 11.A	The term begins on the Effective Date and expires 20 years from date Hotel opens in the Brand System for a new development; 10 or more years from date Hotel opens in the Brand System for a conversion; and 10 or more years from the Effective Date for a change of ownership or re-licensing.
b. Renewal or extension of term	Not applicable (see License: 11.A)	The License does not provide for renewal or term extensions.
c. Requirements for you to renew or extend	Not applicable (see License: 11.A)	The License does not provide for renewal or term extensions. If we agree to Re-license, you may be asked to sign a contract with materially different terms and conditions than your original contract.
d. Termination by you	Not applicable	

Provision	Section In Agreement	Summary
e. Termination by Holiday without Cause	License: Not applicable MTSS: 10.1	MTSS may be terminated by Holiday for convenience on 90 days' prior written notice to the licensee.
f. Termination by Holiday with Cause (Notes 2, 3 and 4)	License: 11.B, 11.C, 13.J and Attachment "B" MTSS: 10.3	Holiday may terminate with cause. You pay liquidated damages if Holiday terminates under Paragraphs 11.B, 11.C, or 13.J. Termination may occur for failure to perform "The Work". See Notes 2 and 4 and Attachment "B".
g. "Cause" defined – defaults which can be cured (Note 3)	License: 11.B,	Any default other than those listed in "h" below. See Note 2.
h. "Cause" defined – non-curable defaults	License: 10, 11.C and Attachment "B"	Non-curable defaults: bankruptcy; non-dismissed judgments exceeding $50,000; trademark misuse, or if you contest Holiday's ownership of trademarks; loss of possession of the property; dissolution of the licensee entity; failure to identify or operate the Hotel as a Brand System Hotel; violation of Licensor's proprietary rights; unapproved transfers; conviction of a felony; false books and records; failure to comply with safety, security or privacy of your guests or reputation standards; condemnation or casualty occurs and Hotel does not reopen when required; unauthorized use of Marks; and, refusal to allow inspection or audit.
i. Your obligations upon termination/ non-renewal	License: 7.A. 11.D, 11.E, 13.J and Attachment "B" MTSS,13.1 & Attachment 4-1 to Schedule 4	Obligations include de-identification and payment of amounts due.
j. Assignment of License by Holiday	License: 9.A	Holiday has rights of assignment to any person or legal entity.
k. "Transfer" by you – definition	License: 9.B	Includes transfer of contract or assets (including real estate) or ownership changes.
l. Holiday's approval of transfer by You	License: 9	Holiday has the right to approve all transfers.
m. Conditions for Holiday's approval	License: 9.C, 9.D, 9.E and 9.F	The prospective new owner of the Hotel or Licensee must submit an application and all fees to keep the

Provision	Section In Agreement	Summary
of transfers		Hotel in the Brand System. Holiday will evaluate the new owner's application using then-current procedures and criteria such as credit, operational abilities, market feasibility, prior business dealings and other factors it considers relevant. If Holiday approves the new owner, Holiday will require upgrading, signing of a License using the then-current form of License and the execution of a Guaranty. You must pay Holiday a non-refundable $25,000 processing fee at least 60 days before public offering, private placement or other sale of securities.
n. Holiday's right of first refusal to acquire your business	License: 13.R	If you receive an offer to purchase the Hotel, then, if Holiday requires it, you must give Holiday written notice within 10 days of your receipt of the offer, and you must offer to sell the Hotel to Holiday on the same terms and conditions as the offer. Holiday will notify you within 30 days if it intends to accept the offer.
o. Holiday's option to purchase your business	Not applicable	
p. Your death or disability	License: 9.D	If adequate provision is made for the management of the Hotel, and Holiday gives written consent, the License may be transferred to decedent's spouse, parent, siblings, nieces, nephews, descendants or spouse's descendants and heirs or legatees if they promptly advise Holiday and sign a new License, and Guaranty, if any and decedent's executor or estate administrator signs a termination agreement of the License on Holiday's then current form.
q. Non-competition covenants during the term of the license	License: 3.A(14)	No part of the Hotel may be used to promote a competing business.
r. Non-competition covenants after the License is terminated or	Not applicable	

Provision	Section In Agreement	Summary
expired		
s. Modification of License	License: 4.E, 5, 13.D	No modifications generally but the Standards are subject to change.
t. Integration/Merger Clause	License: 13.D	The integration/merger clause does not disclaim the representations in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	Not applicable	
v. Choice of forum	License: 13.B	Georgia, subject to state law.
w. Choice of law	License: 13.B	Georgia law applies, subject to state law.

NOTES:

Note 1: The term of the License begins on the Effective Date. The standard term of a License for a new development or conversion Hotel expires twenty years from the date of the opening of your Hotel.

Note 2: Termination of License by Holiday for Breach of Obligations Before Holiday Authorizes You to Use the Brand System at your Hotel: If Holiday terminates your License due to your breach of any of your obligations under the License before Holiday authorizes you to use the Brand System at the hotel (for example, your failure to perform the construction, upgrading and renovation work described on Attachment "B" of the License), then you must pay Holiday a lump sum equal to the monthly average of all amounts that would have been payable to Holiday under paragraphs 3.B(3) through 3.B(6) of the License assuming the Hotel had collected Gross Rooms Revenue based on the average daily revenue per available room for all "mature hotels" in the Brand System in the United States for the previous twelve months, as determined by Holiday, multiplied by the greater of (a) six or (b) the number of full and partial months from the Term Commencement Date to the termination date of the License. For purposes of this paragraph, "mature hotels" means hotels which were open for two full years or longer; were licensed or, alternatively, owned and/or managed by Holiday or one of its affiliates; and, were not in default of their applicable license or management agreement obligations as of the applicable date.

Note 3: Termination of License by Holiday for Breach of Obligations After Holiday Authorizes You to Use the Brand System at your Hotel: If, after you are authorized to use the Brand System in the Hotel, Holiday terminates the License under paragraphs 11.B or 11.C (see table, sections g and h), you must promptly pay Holiday (as liquidated damages for the premature termination only, and not as a penalty nor as damages for breaching the License or in lieu of any other payment) a lump sum equal to the total amounts required under paragraph 3.B(3) through (6) of the License during the 60 calendar months of operation preceding the termination; or during the preceding number of months equal to the unexpired License term at the time of termination (if less than 60 months); or if the Hotel has not been in operation in the Brand System for 60 months, an amount equal to the greater of: (1) 60 times the monthly average of these amounts for the period during which the Hotel has been in operation in the Brand System, or (2) 60 times these amounts as are due for the one month preceding the termination.

ITEM 18
PUBLIC FIGURES

Holiday does not use any public figures to promote the sale of licenses. Public figures may appear in consumer marketing for the Brand System.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a licensor to provide information about the actual or potential financial performance of its licensed and/or licensor-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 licensor provides the actual records of an existing outlet you are considering buying, or (2) a licensor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

The following charts set forth certain historic performance information for voco branded Mature Hotels operating in the United States for the 2023 fiscal year. "Mature Hotels", as used in this Item 19, means hotels which were open two full years or longer as of December 31, 2024; did not have 10% or more rooms "out of order" during such period; were licensed or, alternatively, owned and/or managed by us or one of our affiliates; and were not in default of their applicable license or management agreement obligations as of December 31, 2024.

It is important that you read the footnotes following each table as well as the "Table Notes" and "Explanation/Important Notes" paragraph of this Item 19.

As of December 31, 2024, there were a total of 15 voco branded Hotels in the United States, of which 6 hotels qualified as "Mature Hotels"

Occupancy Rate, Daily Room Rate and RevPAR

The chart below shows the average performance of the Mature Hotels for the year ended December 31, 2024, in the following categories: (i) average occupancy rate; (ii) average daily room rate ("ADR"); and, (iii) average revenue per available room ("RevPAR").

2024 Performance of 6 Mature Hotels	
Average Occupancy Rate[1]	73.4%
Average Daily Room Rate ("ADR")[2]	$241.13
Average RevPAR[3]	$176.87

1. Of the Mature Hotels, 2 hotels (or 33.3%) achieved an Average Occupancy Rate greater than 73.4%. The Average Occupancy Rate for the Mature Hotels ranged from a high of 93.5% to a low of 51.9% and the median Occupancy Rate equaled 62.7%.

2. Of the Mature Hotels, 2 hotels (or 33.3%) achieved an Average ADR greater than $241.13. The Average ADR for the Mature Hotels ranged from a high of $349.84 to a low of $165.11 and the median ADR equaled $198.16.

3. Of the Mature Hotels, 2 hotels or (33.3%) exceeded the Average RevPAR of $176.87. The Average RevPAR of the Mature Hotels ranged from a high of $327.08 to a low of $86.12 and the median Average RevPAR equaled $123.59.

Average Enterprise Contribution

The chart below shows the average Enterprise Contribution of the Mature Hotels for the year period ended December 31, 2024.

2024 Performance of 6 Mature Hotels	
Average Enterprise Contribution[4]	88.0%

Of the Mature Hotels, 5 hotels (or 83.3%) exceeded the Average Enterprise Contribution of 88.0%; the Average Enterprise Contribution ranged from a high of 94.7% to a low of 83.5%; and the median Enterprise Contribution was 92.4%.

Loyalty Program Contribution

2024 Performance of 6 Mature Hotels	
Average IHG One Rewards Contribution[5]	43.4%
Average IHG One Rewards Contribution ADR[6]	$246.36
Average IHG One Rewards Room Nights Contribution[7]	47.6%

1. Of the Mature Hotels, 4 hotels (or 66.7%) had an Average IHG One Rewards Contribution exceeding 43.4%; the Average IHG One Rewards Contribution ranged from a high of 60.3% to a low of 33.3%; and the median IHG One Rewards Contribution was 48.5%.

2. Of the Mature Hotels, 3 hotels (or 50.0%) had an Average IHG One Rewards Contribution ADR exceeding $246.36; the Average IHG One Rewards Contribution ADR ranged from a high of $359.55 to a low of $174.20; and the median IHG One Rewards Contribution ADR was $214.42.
.
3. Of the Mature Hotels, 4 hotels (or 66.7%) had an Average IHG One Rewards Room Nights Contribution exceeding 47.6%; the Average IHG One Rewards Room Nights Contribution ranged from a high of 57.6% to a low of 35.9%; and the median IHG One Rewards Room Nights Contribution was 53.8%.

IMPORTANT: The information above only set forth historic performance information for the 2024 fiscal year for existing Mature Hotels which were licensed or managed by us or one of our affiliates. Because your Hotel will not be a Mature Hotel, it is especially important for you not to rely on this information to project your future performance, which will likely differ from the results above. Even if you are acquiring a Mature Hotel through purchase or other transfer, your results will likely differ, due to the change of management, the passage of time, changed economic conditions and/or other factors. If you rely at all on the historic figures set forth above (and you are again cautioned not to utilize same to project your future performance), you must also accept the risk that your Hotel may not do as well.

Table Notes:

Note 1 The "Average Occupancy Rate" means the total rooms sold divided by the total available rooms.

Note 2 "ADR" means "Average Daily Room Rate".

Note 3 "RevPAR" means "Revenue Per Available Room".

Note 4 "Enterprise Contribution" means reservations processed via the following Holiday-managed channels and sources: (i) IHG.com, including all international iterations of this site and Holiday's mobile apps ("Web"); (ii) Holiday's worldwide toll-free reservations phone numbers and hotel call-divert programs ("Voice"); (iii) global distribution systems that permit traditional travel agencies, as well as many third-party online travel websites, to reserve guestrooms ("GDS"); (iv) online travel agencies, such as Expedia, with which we have distribution agreements ("OTA"); (v) Global Sales Office business that books directly at a Hotel (GSO); (vi) IHG One Rewards members that book directly at a hotel ("Loyalty Direct"); and (vii) distribution partners that are directly connected to our Reservation System that are not included in the previous sources ("Direct Connect").

Note 5 "Average IHG One Rewards Contribution" means the average percentage of total rooms revenue attributable to members of our customer loyalty program, IHG One Rewards, who occupy and pay for guest rooms and are awarded IHG One Rewards points for their stays.

Note 6 "Average IHG One Rewards Contribution ADR" means the average daily room rate attributable to reservations made by members of our customer loyalty program, IHG One Rewards, who occupy and pay for guest rooms and are awarded IHG One Rewards points for their stays.

Note 7 "Average IHG One Rewards Room Nights Contribution" means the average percentage of total occupied rooms attributable to members of our customer loyalty program, IHG One Rewards, who either (1) pay for guest rooms and are awarded IHG One Rewards points for their stay or (2) redeemed IHG One Rewards points to pay for the stay.

Explanation/Important Notes:

In order to fully understand the charts set forth above, you must understand their limitations.

To begin with, it is vital that you understand that the information set forth in this Item 19 is not meant in any fashion to constitute projections of your performance. To the contrary, we do not furnish - or authorize any of our or our affiliates' officers, employees or salespersons to furnish - any oral or written economic projections for any licensed hotel, and you are specifically warned that should you nevertheless be furnished with any such projections, you must not rely on them in any fashion in determining whether to become our licensee. The information set forth above conveys only historic performance information for Mature Hotels for the 2024 fiscal year.

Next, we can in no way warrant, represent, promise, predict or guarantee that you can or will attain any of the financial results set forth in the above charts. To the contrary, a new licensee's financial results will likely differ from the results set forth in these charts and those differences may be material. Your results will vary from those set forth in the above charts depending on such factors as: the nature and extent of your competition; whether competitive hotels in your market

are affiliated with any chains or other centralized reservation systems; the age and established customer base of competitive hotels; the in-room and common area facilities and amenities of your Hotel versus competitive hotels; whether your geographic area has a greater or lesser demand for hotel accommodations, which can turn on a number of factors; the frequency of business travel to/from your geographic area; whether your Hotel is situated at or near an airport; whether your Hotel is situated close to or remote from a central business district; whether your Hotel is situated in a geographic area that attracts vacation travelers; changed national, international, regional and local economic conditions; the type of hotel you operate; whether your Hotel offers food, beverage and/or convention and meeting services; whether your Hotel is situated near a college, resort attraction, theme park or other venue that generates lodging demand; the length of time your Hotel has been open to the public; the length of time your Hotel has been affiliated with us; the skill, experience and business acumen of your management and staff; prevailing economic conditions in your geographic area; the room rates you establish; the climate and weather conditions of your Hotel's geographic location; seasonality factors influencing any of the foregoing; and, whether or not your market is (or may become) oversaturated with guest lodging facilities.

The figures set forth above represent averages and are necessarily limited to the markets and attributes of the hotels identified. We do not claim or expect, nor should you expect, that you can or will achieve the same average ADR; occupancy; RevPAR; or, percentages of occupancy derived from reservations made through our Brand System, our IHG One Rewards, our and our affiliates' websites, our and our affiliates' central reservation offices or Global Distribution Systems.

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

Further, you must understand that the information set forth in this Item 19 was largely derived from room rate, occupancy rate, number of available rooms and other data submitted to us by licensed and managed hotels and that we have not independently verified or audited this information.

We will make available to you upon request that methodologies, data bases and assumptions utilized by us in arriving at the information contained in the charts above.

Written substantiation for this financial performance representation is available upon reasonable request.

However, we are under no obligation to disclose to you specific information for any particular hotel. Again, you must Note that information concerning licensed and managed hotels is based on unaudited information collected and submitted by our licensees and hotel managers, and neither we nor our affiliates have audited or otherwise independently verified this information.

While the charts above show information concerning average room rates, you set your own room rates.

The only information we will furnish to you regarding historic (never projected) hotel performance is that set forth in this Item 19 and in any "supplemental financial performance representation" directed to a particular location or circumstance which we may (but need not) elect to separately furnish to you. None of our officers, directors, employees or other representatives, regardless of position, is otherwise authorized to furnish to you, in writing or orally, any information regarding the historic, current, actual or potential sales, expenses, income or profits of licensed or non-licensed hotels other than the historic average information set forth above and any related

supplemental financial performance representation we may elect to furnish to you. If you nevertheless receive any other such information from any individual purporting to act on our behalf, you are warned that you must not rely on it in any fashion whatsoever. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management in writing (at Holiday Hospitality Franchising, LLC, Attn Financial Performance Representation Administrator, c/o Vice President Franchise Operations, 3 Ravinia Drive - Suite 100, Atlanta, Georgia 30346), the Federal Trade Commission, and the appropriate state agencies.

ITEM 20
OUTLETS AND LICENSEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Years 2022 to 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Licensed	2022	5	7	2
	2023	7	9	2
	2024	9	15	6
Company-Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Outlets	2022	5	7	2
	2023	7	9	2
	2024	9	15	6

Table No. 2
Transfers of Licensed Outlets to New Owners (Other than Holiday)
For Years 2022 to 2024

State	Year	Number of Transfers
Florida	2022	0
	2023	0
	2024	1
Total	2021	0
	2022	0
	2023	1

Table No. 3
Status of Licensed Outlets
For Years 2022 to 2024

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reason	Outlets at End of the Year
Arizona	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
California	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reason	Outlets at End of the Year
	2024	0	1	0	0	0	0	1
Florida	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Georgia	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Illinois	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Louisiana	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Missouri	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
New York	2022	2	1	0	0	0	0	3
	2023	3	1	0	0	0	0	4
	2024	4	2	0	0	0	0	6
Ohio	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Total	2022	5	2	0	0	0	0	7
	2023	7	2	0	0	0	0	9
	2024	9	6	0	0	0	0	15

Table No. 4
Status of Company-Owned Outlets
For Years 2022 to 2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Licensee	Outlets Closed	Outlets Sold to Licensee	Outlets at End of Year
All States	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
Total	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0

Table No. 5
Projected Openings as of December 31, 2024

State	License Agreements Signed But Outlet Not Opened	Projected New Licensed Outlet in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
Arizona	1	1	0

State	License Agreements Signed But Outlet Not Opened	Projected New Licensed Outlet in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
California	3	1	0
Florida	1	1	0
Indiana	1	0	0
New Mexico	2	0	0
New York	2	1	0
South Carolina	1	1	0
Tennessee	1	0	0
Texas	1	0	0
Utah	1	1	0
Total	14	6	0

Please understand that you have the opportunity to contact existing and certain other former licensees and we urge you to do so.

Attached as Exhibit E-1 is a list of the names of all current voco Hotels licensees under a License with Holiday as of December 31, 2024, and the addresses and telephone numbers of their units.

As of the date of this disclosure document and as further reflected in Exhibit E-2, there were no hotels licensees that had an outlet terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the License as of December 31, 2024, or that has not communicated with Holiday within 10 weeks of the issuance date.

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

The IHG Owners Association was created by Holiday's predecessor in interest in 1956. The IHG Owners Association is endorsed by Holiday and SCH and receives some sponsorship from SCH. Under the terms of the License, you, other Brand System licensees, and Holiday are eligible for membership in the IHG Owners Association and are entitled to vote at its meetings on the basis of one hotel, one vote. The IHG Owners Association represents the licensee community of Holiday's various license systems and, through a series of committees, give advice and counsel to Holiday regarding the expenditures for the marketing, reservations and IHG One Rewards funds. Holiday and SCH personnel administer the system funds and report system funds activities to the IHG Owners Association. The IHG Owners Association also provides educational opportunities to its members, organizes regular meetings and provides additional membership benefits. The address, telephone number, and web address of the IHG Owners Association are Three Ravinia Drive, Suite 100, Atlanta, Georgia 30346 (770) 604-5555 (or toll free 1-866-826-5808), and www.owners.org.

ITEM 21
FINANCIAL STATEMENTS

Exhibit F-1 to this disclosure document includes Holiday's audited Financial Statements for the fiscal years ended December 31, 2024, December 31, 2023, and December 31, 2022.

Our parent, SCH, commits to perform certain post-sale obligations for us. Exhibit F-2 includes SCH's audited Financial Statements for the fiscal years ended December 31, 2024, December 31, 2023, and December 31, 2022.

ITEM 22
CONTRACTS

The following copies of all proposed agreements regarding the franchise offering are attached and made a part of this disclosure document:

Exhibit A Application Letter Form

Exhibit B voco License Agreement & State Addenda

Exhibit G Ancillary Agreements

- G-1 IHG Voice Reservation Service Agreement
- G-2 Revenue Services and Commercial Services Agreement
- G-3 Coca-Cola Participation Agreement
- G-4 NGP Participation Agreements
- G-5 Form IHG Direct Hotel Participation Agreement
- G-6 Form IHG Wi-Fi Connect Agreement
- G-7 Oracle New Account Setup Form
- G-8 AT&T Participation Agreement
- G-9 HP Joinder Agreement
- G-10 Microsoft Select Participation Agreement
- G-11 Next Gen PMS Participation Agreement

ITEM 23
RECEIPTS

Exhibit J contains two copies of a detachable receipt.

EXHIBIT A-1

IHG Hotels & Resorts Franchise Application

IHG
HOTELS & RESORTS

LUXURY & LIFESTYLE

SIX SENSES · REGENT · INTERCONTINENTAL HOTELS & RESORTS · VIGNETTE COLLECTION · KIMPTON HOTELS & RESTAURANTS · HOTEL INDIGO

PREMIUM

VOCO · HUALUXE HOTELS AND RESORTS 華邑酒店及度假村 · CROWNE PLAZA · EVEN

ESSENTIALS

Holiday Inn Express · Holiday Inn · Garner · avid

SUITES

ATWELL SUITES · STAYBRIDGE SUITES · Holiday Inn Club Vacations · CANDLEWOOD SUITES

EXCLUSIVE PARTNERS

IBEROSTAR BEACHFRONT RESORTS

IHG ONE REWARDS

Instructions For Submitting Franchise Application

- ☐ Sign and date the "Receipt" page at the end of the current Franchise Disclosure Document for the applicable brand and return it immediately to your IHG (InterContinental Hotels Group) development representative. The Receipt should be signed and dated upon receipt by an authorized signer for the Applicant (see below).
- ☐ Complete the Application (please type or print) and have the authorized signer(s) for the Applicant sign and date the Application Letter.
- ☐ Attach the supporting documents and information requested in the Application and summarized on the attached checklist, and submit the entire package along with the Application Fee described below.

NOTE: The Applicant should not sign or submit the Application or payment of the Application fee until at least the fourteenth (14th) day after the date the receipt of the Franchise Disclosure Document was signed and dated.

Authorized Signers

Authorized signers for the Receipt and Application Letter include the following:

Applicant Signer(s)

Individual(s):	Each individual
Corporation:	President, Vice President, or other Authorized Officer
General Partnership:	Each General Partner or Authorized General Partner
Limited Partnership:	Each General Partner or Authorized General Partner
Limited Liability Company:	Managing Member(s), Authorized Member(s), or Manager(s)
Trust:	Trustee(s)
Estate:	Executor/Executrix, Administrator/Administratrix

Application Fee

Payment of the Application Fee must be made when you submit your Application. The Application Fee becomes non-refundable upon IHG approval of your Application.

For a **New Development, Conversion, Re-licensing, and Change of Ownership Application**, please calculate your Application Fee as follows (all fees are in US Dollars):

avid™ hotels:	$500 per guest room/suite but not less than $50,000
Garner™:	$500 per guest room/suite but not less than $50,000
Holiday Inn®:	$500 per guest room/suite but not less than $50,000
Holiday Inn Express®:	$500 per guest room/suite but not less than $75,000
Holiday Inn® Resort:	$500 per guest room/suite but not less than $50,000
Staybridge Suites®:	$500 per guest room/suite but not less than $75,000
Atwell Suites®:	$500 per guest room/suite but not less than $50,000
Candlewood Suites®:	$500 per guest room/suite but not less than $50,000
Even Hotels®:	$500 per guest room/suite but not less than $75,000
voco®:	$500 per guest room/suite but not less than $75,000
Vignette Collection®:	$500 per guest room/suite but not less than $75,000
Hotel Indigo®:	$500 per guest room/suite but not less than $75,000
Crowne Plaza®:	$500 per guest room/suite but not less than $75,000
Kimpton® Hotels & Restaurants:	$500 per guest room/suite but not less than $100,000
InterContinental®:	$500 per guest room/suite but not less than $100,000

Application Checklist - Required Items

A complete Franchise Application package will expedite the Application Process. To ensure that your Franchise Application Package is complete, please use the following checklist:

- ☐ Franchise Disclosure Document Receipt signed and dated by an authorized signer for the Applicant on the day on which it was received.
- ☐ Application Letter signed and dated no earlier than the day after the 14th day following the date that the Applicant signs the Receipt contained in the Franchise Disclosure Document.
- ☐ A check or wire transfer for the Application Fee payable to Holiday Hospitality Franchising, LLC.
- ☐ Certified Personal Financial Statement for each sole proprietor, general partner, managing tenant in common, and/or major owner/shareholder (owners/shareholders owning beneficially 25% or more of the equity interest/stock) of the proposed licensee and any individual/entity who will serve as an additional guarantor of the proposed license.
- ☐ A copy of the deed, lease, sales contract, option agreement, or other instrument evidencing the proposed licensee's control of the proposed hotel site or property.
- ☐ A copy of a current resume for the primary the Applicant, the person who is in charge of the conversion/new hotel development process, and the person or management entity who will manage the day-to-day operations of the hotel.
- ☐ A copy of the proposed management agreement, if applicable, and information concerning the proposed management company.
- ☐ Description of all interests each individual and entity named herein has in other hotels/motels.
- ☐ Site plan, aerial, and location map with proposed hotel site identified. (not required for change of ownership or relicensing for an existing hotel.)
- ☐ Please enclose renderings or photographs of the hotel/site and a city area map with the site and competitive hotel facilities marked.
- ☐ Copies of Organizational Documents (including all amendments) for the Applicant entity and each of its principal entities, including general partner(s), managing member(s), controlling shareholders, or similar direct and indirect controlling interests, as follows:

Private Corporation:	Articles of Incorporation (with filing stamp or certification from the jurisdiction of incorporation)
Limited Liability Company:	Articles of Organization (with filing stamp or certification from the jurisdiction of formation) and signed Operating Agreement
Limited Partnership:	Certificate of Limited Partnership (with filing stamp from the jurisdiction of formation) and signed Partnership Agreement
General Partnership:	Signed Partnership Agreement
Trust:	Signed Trust Agreement
Estate:	Letters Testamentary/of Administration (where applicable)

- ☐ Completed Ownership Structure Form (see page 5) for the Applicant, its underlying ownership entities, and the fee title holder or lessor/sublessor of the Hotel/Hotel Site if related to the Applicant.
- ☐ A copy of the last two (2) Quality Assurance reports for all hotels not licensed by InterContinental Hotels Group but owned/managed by the Applicant within the last 12 months.
- ☐ Other pertinent project details (please attach as needed).

If proposed hotel is a conversion, please add:

- ☐ Conversion Indemnity Letter (if applicable)
- ☐ 3 Years' Hotel Operating Statistics (use table on page 11 if possible)

Note: This Application is to request a license to operate all brands licensed by Holiday Hospitality Franchising, LLC or Six Continents Hotels, Inc. Any reference to the InterContinental Hotels Group is considered to mean Holiday Hospitality Franchising, LLC and/or Six Continents Hotels, Inc., as appropriate. This Application is intended to obtain certain pre-qualifying information. Any offer to sell and any solicitation of an offer to buy a license (franchise) for all brands is made only by means of the Franchise Disclosure Document and only in states or jurisdictions where such offers and solicitations are permitted by law.

Application Letter

Brand (check one):

- ☐ InterContinental Hotels & Resorts
- ☐ Crowne Plaza Hotels & Resorts
- ☐ voco
- ☐ Vignette Collection
- ☐ EVEN Hotels
- ☐ Holiday Inn
- ☐ Hotel Indigo
- ☐ Atwell Suites
- ☐ Holiday Inn Express
- ☐ Holiday Inn Express & Suites
- ☐ Holiday Inn Hotel & Suites
- ☐ Garner
- ☐ avid hotels
- ☐ Staybridge Suites
- ☐ Holiday Inn Resort
- ☐ Candlewood Suites

Holiday Hospitality Franchising, LLC. ("HHFL"):
The undersigned hereby applies for a license to operate a hotel licensed by the InterContinental Hotels Group to be located at:

_____
(Street)

_____ _____ _____ _____
(City) (State) (Zip) (Country)

The undersigned understand(s) that "HHFL" relies on the information provided in the Application and all documents submitted by the undersigned and co-owners in connection with or in support thereof, including, but not limited to, all financial statements and this Application letter (all hereinafter referred to as the "Application").

1. All information contained in this Application is true, correct and complete as of this date. The Application does not fail to include any fact which would be necessary in order to make the information furnished therein not misleading.The undersigned will inform HHFL promptly of any material change in any of the information furnished in the Application.
2. The undersigned has/have the authority to make the Application and to enter into the other documents contemplated thereby, including, without limitation, a license agreement. Neither the making of the Application nor the execution of such other documents will conflict with the terms of any agreement to which the undersigned is/are a part or by which the undersigned is/are bound. The undersigned has/have not been induced by HHFL to terminate or breach any agreement with respect to the above mentioned location.
3. Information concerning the system of the hotel brand being licensed, including, without limitation, the appropriate license agreement (the "License Agreement"), has been made available to the undersigned. The undersigned is/are familiar with the system of the hotel brand being licensed and its requirements. If the Application is approved the undersigned will execute and comply with the terms of the License Agreement.
4. The undersigned understand(s) and acknowledge(s) that:
   - **(a)** HHFL does not enter into oral agreements or understandings with respect to licenses or matters pertaining to the granting of a license.
   - **(b)** A contract or agreement with respect to a proposed license shall come into effect only upon the execution of the License Agreement.
   - **(c)** As of this date, there are no oral agreements or understandings whatsoever between the undersigned and HHFL with respect to any proposed license.
   - **(d)** The Applicant authorizes HHFL and Six Continents Hotels, Inc. to check, at any time the credit history, references and other financial and background data of the Applicant, the proposed licensee, the undersigned and co-owners, including background checks for US OFAC compliance, and to answer questions about their credit history with HHFL.
   - **(e)** An Application fee has been paid to HHFL. Such Application fee may be invested, commingled with other funds of HHFL, or otherwise used by HHFL as it deems appropriate in its discretion.
   - **(f)** If the Application is not approved by HHFL, or if the Application is withdrawn by the Applicant, the Application fee will be returned less the Application Processing Fee for expenses incurred by HHFL, as solely determined by HHFL, in the processing the Application. If the Application is approved, the Application fee will not be returned.
   - **(g)** HHFL reserves the sole right to approve or disapprove the Application for any reason it may determine. In the event HHFL disapproves the Application, it will have no liability to the undersigned other than to return the Application fee, less its expenses in processing the Application as hereinbefore provided.

The undersigned, jointly and severally (if applicable), agree(s) to indemnify HHFL and its affiliates, directors and employees, agents, representatives, and assignees and to hold them harmless from all losses, consequently, directly or indirectly incurred (including legal and accounting fees and expenses) and arising from, as a result of or in connection with the breach of any representation or warranty contained in the Application or arising from, as a result of or in connection with HHFL's reliance on such representation or warranties. HHFL shall have the right independently to take any action it may deem necessary in its sole discretion, to protect and defend itself against any threatened action subject to the undersigned's indemnification, without regard to the expense, forum or other parties that may be involved. HHFL shall have sole and exclusive control over the defense of any such action (including the right to be represented by counsel of its choosing) and over the settlement, compromise or other disposition thereof.

For Individual:

Signature: _____

Print Name: _____

Date (required): _____

For Business Entity:

Signature: _____

Print Name & Title: _____

Date (required): _____

Applicant

Name of the Applicant: First: _____ Middle: _____

Last: _____

Name of Entity: _____

The Proposed Licensee: ☐ Existing Entity ☐ To be formed as an entity after submitting this Application

☐ Other (explain) _____

Entity Address:

Address: _____ City: _____

State/Province: _____ Zip/Postal Code: _____ Country: _____

Type:

☐ Corporation ☐ Limited Partnership ☐ General Partnership

☐ Limited Liability Company ☐ Sole Proprietor ☐ Trust

☐ Other (specify) _____

Corporation / Entity Formation Information:

Month/Day/Year: _____ State/Province: _____ Country: _____

Principal Correspondent

For Legal Notice

Name: _____

Street Address: _____

City: _____

State/Province: _____ Zip/Postal Code: _____ Country: _____

Business Phone: _____ Mobile Phone: _____

Fax: _____

Email: _____

Management Information

The proposed hotel will be managed by:

☐ A General Manager to be employed by the Applicant

The General manager (if known) will be: _____

☐ A Management Company under a Management Agreement with the Applicant

Company Name: _____

Contact: _____

Title: _____

Address: _____ City: _____

State/Province: _____ Zip/Postal Code: _____ Country: _____

Telephone: _____ Fax: _____ Email: _____

Attachments:

1. List of Hotels owned or managed by the Management Company.

IHG HOTELS & RESORTS
SIX SENSES REGENT INTERCONTINENTAL HOTELS & RESORTS VIGNETTE COLLECTION KIMPTON HOTELS & RESTAURANTS HOTEL INDIGO VOCO HUALUXE CROWNE PLAZA
IBEROSTAR BEACHFRONT RESORTS EVEN Holiday Inn Express Holiday Inn Garner avid ATWELL SUITES STAYBRIDGE SUITES Holiday Inn Club Vacations CANDLEWOOD SUITES
IHG ONE REWARDS

Applicant *continued*

Hotel Experience

(attach additional pages if needed)

Please complete the information below describing facilities operated, number of rooms, age of hotel, status, position held, dates purchased/sold if applicable, and level of involvement. Please attach additional pages if necessary.

1. Current and prior InterContinental Hotels Group branded hotels owned/managed

	Hotel Name	Loc# or HOLIDEX Code	# Rooms	Age of Hotel	Status (open or under construction)	Position	Other (include dates purchased/ sold if applicable)	Percentage of Ownership
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								

2. Most recent non-IHG branded hotels owned/managed

	Hotel Name	Hotel City	STR ID#	Age of Hotel	Status (open or under construction)	Position	Other (inc. dates purch/sold if applicable)	Percentage of Ownership
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								

Attachments:

1. *A copy of the last two (2) Quality Assurance reports for all hotels not licensed by IHG but owned/managed by the Applicant within the last 12 months.*

IHG HOTELS & RESORTS
SIX SENSES REGENT INTERCONTINENTAL HOTELS & RESORTS VIGNETTE COLLECTION KIMPTON HOTELS & RESTAURANTS HOTEL INDIGO VOCO HUALUXE CROWNE PLAZA
IBEROSTAR EVEN Holiday Inn Express Holiday Inn Garner avid ATWELL SUITES STAYBRIDGE SUITES Holiday Inn Club Vacations CANDLEWOOD SUITES
IHG ONE REWARDS

Personal Information

The following questionnaire is intended to provide IHG with the information needed to evaluate your new business venture as a potential franchisee for the brand you selected. IHG is recognized as a global leader and offers one of the best franchise opportunities available in the lodging industry. Our successful heritage of quality and service is carried on around the globe by a unique group of entrepreneurial spirited people - our franchise owners and operators.

We welcome the opportunity to review your request to join the IHG portfolio of brands.

1. Do you now or have you ever owned, co-owned, or managed a hotel that was part of any IHG franchise system?

☐ Yes ☐ No

If yes, please provide details: _____

2. Have you ever applied for a franchise with IHG in the past?

☐ Yes ☐ No

If yes, please provide details: _____

3. What is your background in the hotel business? (attach resume)

_____

4. Please list all franchise/hotel licensing or affiliation agreements that you have ever entered.

_____

5. Who will be in charge of the conversion/new development process (development, construction, renovation)? (attach resume)

_____

6. If someone other than you or your General Manager has responsibility relative to the development, construction, conversion into any IHG System, or operations of your hotel, please specify that person and describe their background: (attach resume)

_____

7. Is or was the proposed licensee or any direct or indirect owner of the proposed license the subject of a voluntary or involuntary bankruptcy, receivership, foreclosure, or other insolvency proceeding either currently pending or filed within the three-year period immediately preceding this Application?

☐ Yes If yes, please explain on a separate sheet. ☐ No

8. Is or was the proposed hotel site or the current owner of the proposed hotel site the subject of any bankruptcy, receivership, foreclosure, or other insolvency proceeding either currently pending or filed with the three-year period immediately preceding this Application?

☐ Yes If yes, please explain on a separate sheet. ☐ No

9. Please list all pending or concluded litigation with a franchiser over the past five (5) years in which the Applicant, the proposed licensee or their respective principals, owners, affiliates, or guarantors have been a party.

_____

10. Will any employee, officer or director, or one of their relatives, of any IHG company participate in management or ownership of the entity to be licensed or one of its affiliates? If yes, please explain, while providing detailed information.

☐ Yes ☐ No

If yes, please provide details: _____

Attachments:

1. *Applicant's resume.*
2. *If applicable, resume of person in charge of development process and resume of person in charge of your hotel if other than General Manager.*
3. *If applicable, please provide details of voluntary or involuntary bankruptcy, receivership, foreclosure, or other insolvency proceeding.*

IHG HOTELS & RESORTS
SIX SENSES REGENT INTERCONTINENTAL HOTELS & RESORTS VIGNETTE COLLECTION KIMPTON HOTELS & RESTAURANTS HOTEL INDIGO voco HUALUXE CROWNE PLAZA
IBEROSTAR EVEN Holiday Inn Express Holiday Inn Garner avid ATWELL SUITES STAYBRIDGE SUITES Holiday Inn Club Vacations CANDLEWOOD SUITES
IHG ONE REWARDS

Ownership Structure Information

Each sole proprietor, general manager, managing tenant in common, and major owner/shareholder (owners/shareholders owning beneficially 25% or more of the stock) of the proposed licensee and any individual/entity who will serve as an additional guarantor of the proposed license is required to submit a Personal Financial Statement with this Application including a list of all hotels/motels in which the individual has an interest. Facility name, location, and the nature and percentage of the individual's interest must be indicated.

Please follow any of the examples provided below to help you complete your ownership structure on the following page.

Example #1: Corporation
Licensee Name: CAPITAL HOSPITALITY, INC

Entity/Person's Name	Description of Interest	% Interest	Business Address & Telephone
Ideal Hospitality Inc. - Jane Smith, member 100%	Shareholder	35%	123 Brook Lane, Atlanta GA 30039 Tel: (123) 456-7890
George Williams, LLC - Paul Doe, member 50% - Lucy Doe, member 50%	Shareholder	28%	333 Cricket Drive, Atlanta GA 30346 Tel: (123) 456-7890
A. Moore	Shareholder	37%	50-51 Tree Street, Atlanta GA 30346 Tel: (123) 456-7890
	Total	100%	

Items Needed for Execution
- Proof of Current State Filing

Example #2: Limited Partnership (LP)
Licensee Name: WEBSTER HOLDINGS, LP

Entity/Person's Name	Description of Interest	% Interest	Business Address & Telephone
Prestige Hotels, LLC - Mohammed Singh, member 100%	General Partner	1%	111 Court Ave, Atlanta GA 30039 Tel: (123) 456-7890
Capital Investments, Inc. - Jim Thomas, member 50% - Susan White, member 50%	Limited Partner	30%	23 Bird Street, Atlanta GA 30346 Tel: (123) 456-7890
Stanley Watson	Limited Partner	69%	345 Willow Road, Atlanta GA 30014 Tel: (123) 456-7890
	Total	100%	

Items Needed for Execution
- Executed Partnership Agreement
- Proof of Current State Filing

Example #3: General Partnership
Licensee Name: GROUND HIGH HOLDINGS, GP

Entity/Person's Name	Description of Interest	% Interest	Business Address & Telephone
Wendy Jones	General Partner	32%	8241 Tree Lane Road, Atlanta, GA 30346 Tel: (123) 456-7890
Greg Finn	General Partner	38%	745 Auburn Court, Atlanta, GA 30313 Tel: (123) 456-7890
Kelly Price	General Partner	30%	2011 Lake Hearn Court, Atlanta, GA 30014 Tel: (123) 456-7890
	Total	100%	

Items Needed for Execution
- Executed Partnership Agreement
- Proof of Current State Filing

Example #4: Limited Liability Corporation (LLC)
Licensee Name: TFB HOTELS, LLC

Entity/Person's Name	Description of Interest	% Interest	Business Address & Telephone
General Hospitality, LLC - Bruce Johnson, member 100%	Member	35%	1122 Big Road, Atlanta GA 30039 Tel: (123) 456-7890
Paul Moore, LLC - Pat Davis, member 50% - Ben Brown, member 50%	Member	28%	500 Brook Crossing, Atlanta, GA Tel: (123) 456-7890
Andrew Patel	Member	37%	56-78 Causeway Avenue Atlanta, GA Tel: (123) 456-7890
	Total	100%	

Items Needed for Execution
- Executing Operating Agreement
- Proof of Current State Filing

IHG HOTELS & RESORTS
SIX SENSES REGENT INTERCONTINENTAL HOTELS & RESORTS VIGNETTE COLLECTION KIMPTON HOTELS & RESTAURANTS HOTEL INDIGO VOCO HUALUXE CROWNE PLAZA
IBEROSTAR EVEN Holiday Inn Express Holiday Inn Garner avid ATWELL SUITES STAYBRIDGE SUITES Holiday Inn Club Vacations CANDLEWOOD SUITES
IHG ONE REWARDS

Ownership Structure Information *continued*

Entity Name: _____

Ownership Structure
(please provide additional pages if needed)

Entity/Person's Name	Description of Interest	% Interest	$ Net Worth	Business Address	Telephone

Attachments:
1. *Copies of recorded formation and governing documents of the Applicant and its controlling entities (e.g., Articles of Incorporation, Partnership Agreement, Operating Agreement, etc.)*
2. *Upon request, completed Individual or Business Entity Participant Information Forms*

IHG HOTELS & RESORTS
SIX SENSES REGENT INTERCONTINENTAL HOTELS & RESORTS VIGNETTE COLLECTION KIMPTON HOTELS & RESTAURANTS HOTEL INDIGO VOCO HUALUXE CROWNE PLAZA
IBEROSTAR BEACHFRONT RESORTS EVEN Holiday Inn Express Holiday Inn Garner avid ATWELL SUITES STAYBRIDGE SUITES Holiday Inn Club Vacations CANDLEWOOD SUITES
IHG ONE REWARDS

Ownership Structure Information *continued*

Loan & Financing Information

Do you have a loan or loan commitment for this project? ☐ Yes ☐ No

Name of proposed/existing lender(s): _____

	Debt	Equity
Source		
$ Amount		
% of Total Development Cost		

Do you have, or do you anticipate seeking Small Business Administration (SBA) backed financing?

☐ Yes. Describe: _____ ☐ No

Is the loan (or will the loan be) cross-collateralized by other hotels/real estate assets or cross-defaulted to any other loan(s)?

☐ Yes. Describe: _____ ☐ No

Please describe the existing or anticipated financing of this project:

Proposed Hotel Summary

Street Address*: _____

**If no street address, provide coordinates or other location description*

City: _____ **State/Province:** _____ **Country:** _____ **Zip/Postal Code:** _____

Telephone: _____

Brand (check one):

- ☐ InterContinental Hotels & Resorts
- ☐ EVEN Hotels
- ☐ Holiday Inn Express
- ☐ avid hotels
- ☐ Crowne Plaza Hotels & Resorts
- ☐ Holiday Inn
- ☐ Holiday Inn Express & Suites
- ☐ Staybridge Suites
- ☐ voco
- ☐ Hotel Indigo
- ☐ Holiday Inn Hotel & Suites
- ☐ Holiday Inn Resort
- ☐ Vignette Collection
- ☐ Atwell Suites
- ☐ Garner
- ☐ Candlewood Suites

Development Type:

- ☐ New Development (new build/adaptive reuse)
- ☐ Change of Ownership
- ☐ Conversion
- ☐ Relicensing
- ☐ Other (room addition & brand change)

Explain: _____

Estimated Open Date

Projected Construction/Reno Start Date: _____

Projected Construction/Reno Completion Date: _____

Hotel Facilities, Building, Site Information

Total Guest Units: 0

Guest rooms: _____ # Guest suites: _____

Floors: _____

Year Built: _____

Meeting Space: ☐ Yes _____ total sq. ft. Total # Rooms: _____ ☐ No

Ballroom/Largest Room: ☐ Yes _____ sq. ft. ☐ No

Condominium Residences: ☐ Yes # _____ ☐ No

Pool: ☐ Yes _____ Indoor _____ Outdoor ☐ No

Gym: ☐ Yes ☐ No

Other Amenities (please explain or attach): _____

Total square footage of site: _____

Zoned for hotel development? ☐ Yes ☐ No (if No, please provide details): _____

Maximum height allowed by zoning code: Feet: _____ Floors: _____

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SIX SENSES REGENT INTERCONTINENTAL HOTELS & RESORTS VIGNETTE COLLECTION KIMPTON HOTELS & RESTAURANTS HOTEL INDIGO voco HUALUXE CROWNE PLAZA
IBEROSTAR BEACHFRONT RESORTS EVEN Holiday Inn Express Holiday Inn Garner avid ATWELL SUITES STAYBRIDGE SUITES Holiday Inn Club Vacations CANDLEWOOD SUITES
IHG ONE REWARDS

Proposed Hotel Summary *continued*

Food & Beverage Facilities

Restaurants

Name: _____ Capacity: _____

Name: _____ Capacity: _____

Name: _____ Capacity: _____

Bars / Lounges

Name: _____ Capacity: _____

Name: _____ Capacity: _____

Name: _____ Capacity: _____

Hotel Affiliation

Has there ever been a franchise, branded management, affiliation, or similar agreement pertaining to this hotel or site?

Explain: _____

If the hotel is currently affiliated with a hotel chain, what chain? _____

Hotel's current name: _____

Original open date: _____

IHG HOTELS & RESORTS
SIX SENSES REGENT INTERCONTINENTAL HOTELS & RESORTS VIGNETTE COLLECTION KIMPTON HOTELS & RESTAURANTS HOTEL INDIGO VOCO HUALUXE CROWNE PLAZA
IBEROSTAR EVEN Holiday Inn Express Holiday Inn Garner avid ATWELL SUITES STAYBRIDGE SUITES Holiday Inn Club Vacations CANDLEWOOD SUITES
IHG ONE REWARDS

Proposed Hotel Summary *continued*

Application Site Control

- ☐ Owned by the Applicant
- ☐ Leased to the Applicant — Lease Holder: _____
- ☐ Optioned to the Applicant — Beneficial Holder: _____
  Option expires: _____
- ☐ Under purchase agreement by the Applicant — Beneficial Holder: _____
  Option expires: _____
- ☐ Other. Explain: _____

Operating Projections

Assumptions	Year 1	Year 2	Year 3	Year 4	Year 5
% Occupancy					
ADR*					
RevPAR*					

* *US Dollars*

Hotel Performance (If Existing Facility) Last 5 Years

Please enter corresponding year.

Historical	20_____	20_____	20_____	20_____	20_____
% Occupancy					
ADR*					
Total Rooms Revenue*					

* *US Dollars*

IHG HOTELS & RESORTS
SIX SENSES REGENT INTERCONTINENTAL HOTELS & RESORTS VIGNETTE COLLECTION KIMPTON HOTELS & RESTAURANTS HOTEL INDIGO VOCO HUALUXE CROWNE PLAZA
IBEROSTAR EVEN Holiday Inn Express Holiday Inn Garner avid ATWELL SUITES STAYBRIDGE SUITES Holiday Inn Club Vacations CANDLEWOOD SUITES
IHG ONE REWARDS

Proposed Hotel Summary *continued*

Competitive Information

Identify all hotels/motels in your market area that are/would be considered competitive to the proposed hotel/site. Specifically include those within a five-mile radius of the hotel/site area.

	STR ID#	Hotel Name	Distance from proposed site (miles)	Age of Property	Room Count	$ Rate Range
1.						
2.						
3.						
4.						
5.						

If proposed hotel or hotel site is currently owned by anyone other than the Applicant or the proposed entity, please indicate:

Fee owner name: _____

Address: _____ City: _____

State/Province: _____ Zip/Postal Code: _____

Country: _____

Telephone: _____

Related to the Applicant? ☐ Yes. Describe: _____ ☐ No

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IHG ONE REWARDS

Estimated Hotel Project Costs

New Construction *(approximately)*

Land: $US _____

Construction: $US _____

FF&E: $US _____

Other: $US _____

TOTAL: $US _____

Conversion

Purchase price/current mkt. value (est.)*: $US _____

Renovation/upgrade*: $US _____

Other*: $US _____

TOTAL: $US _____

Please use this section to provide any additional details about your project.

Thank you for completing your Franchise Application with IHG. We look forward to the opportunity to review your information.

EXHIBIT B-1

EXHIBIT B

LOCATION: «HotelAddress1»
«HotelAddress2»

LOCATION #: «LocNum»

DATE:

HOLIDAY HOSPITALITY FRANCHISING, LLC

voco® Hotels

LICENSE AGREEMENT

WITH

«EntityAllCaps»

LICENSEE

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Holiday Hospitality Franchising, LLC
Three Ravinia Drive, Atlanta, Georgia 30346

voco® Hotels

License Agreement

This License Agreement (this "License"), dated as of _____, 20_ (the "Effective Date"), is between **HOLIDAY HOSPITALITY FRANCHISING**, **LLC,** a Delaware limited liability company ("IHG"), and **[LICENSEE NAME],** a **[ENTITY STATE/TYPE OR AN INDIVIDUAL AND STATE OF RESIDENCE]** ("Licensee"), whose address is _____.

RECITALS

A. IHG owns and licenses the "Brand System" (as defined in paragraph 1.B. below). Licensee is the owner of the Hotel and has requested a license to use the Brand System to operate the Hotel as a Brand System Hotel (as defined in paragraph 1.B. below).

B. IHG shall grant to Licensee a non-exclusive license to operate the Hotel as a Brand System Hotel, subject to the terms of this License.

C. Guarantor(s) will provide the Guaranty.

D. In granting this non-exclusive license, IHG has relied upon the business skill, financial capacity, and character of Licensee and the Guaranty to be provided by the Guarantor(s).

NOW, THEREFORE, in consideration of the promises and covenants in this License, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, IHG and Licensee agree as follows:

1. The License:

The Brand System is designed to provide a distinctive, high quality hotel service to the public under the name "voco® Hotels". High standards established by IHG are the essence of the Brand System. Future investments may be required of Licensee under this License. Licensee desires to enter into this License in order to obtain a license to use the Brand System in the operation of a hotel located at the "Location" identified on Attachment "A" and defined in paragraph 2.A. below (the "Hotel").

A. The Hotel.

The Hotel comprises all structures, facilities, appurtenances, furniture, fixtures, equipment, entry and exit rights, parking, pools, landscaping and other areas from time to time located on the land identified by Licensee to IHG in anticipation of this License, or located on any land from time to time approved by IHG for additions, signs or other facilities. The Hotel must include the facilities listed on Attachment "A" hereto. No change in the number of approved guest rooms or suites and no other significant change in the Hotel or in the manner in which the Hotel rooms and services are offered to the public (including timesharing and condominium hotel projects and other projects not involving short term stays by transient guests) may be made without IHG's written approval. Licensee represents that it is entitled to possession of the Hotel during the entire License Term without restrictions that would interfere with anything contemplated in this License. Throughout this License, the words "room" and "guest room" are intended to include the word "suites" unless otherwise indicated.

B. The Brand System.

The Brand System includes all elements which are designed to identify "voco®" hotels to the public or are designed to be associated with those hotels or to contribute to such identification or association and all elements which identify or reflect the quality standards and business practices of such hotels, all as

specified in this License or as designated from time to time by IHG. The Brand System at present includes, but is not limited to:

(1) the principal trade and/or service mark "voco®", the service marks "IHG One Rewards" and "IHG Concerto™" and the other Marks (as defined in paragraph 6.B. (below) and intellectual property rights made available to licensees of the Brand System by reason of a license;

(2) standards, specifications and policies for construction, furnishings, operation, appearance and service of the Hotel, standards and specifications for interior and exterior design and décor, and other requirements as stated or referred to in this License and from time to time in IHG's brand standards for Brand System hotels (the "Standards") or in other communications to Licensee;

(3) registered and unregistered intellectual property, including without limitation copyrights, trademarks, service marks, logos, designs, know-how, confidential or proprietary information standards, specifications and policies for construction, furnishing, operation, appearance and service of hotels operating as Brand System hotels, and similar property rights;

(4) all rights to the domain names and other identifications or elements used in electronic commerce as may be designated from time to time by IHG in accordance with IHG's specifications to be part of the Brand System;

(5) access through IHG to the technology systems, loyalty programs, sales and catering system and other related systems operated in accordance with specifications established by IHG;

(6) access through IHG to multiple call centres and central reservations offices around the world handling reservations;

(7) access through IHG to brand marketing services and distribution marketing services including global advertising and publicity and other marketing programs and materials;

(8) training programs and materials;

(9) a worldwide hotel distribution of Brand System hotels;

(10) a guest loyalty program (currently named IHG® One Rewards);

(11) a recognized presence on the internet;

(12) an e-commerce team and presence for the given IHG brand and other IHG brands on the internet;

(13) a global sales team;

(14) global market coverage; and

(15) programs for inspecting the Hotel, measuring and assessing service and consumer opinion.

The Standards and all changes to the Standards may be presented in any format, including but not limited to print, electronic or other media. IHG has the right to periodically change the Brand System by adding, modifying, altering and/or deleting elements of the Brand System. "Brand System Hotel(s)" means the hotel(s) operated by IHG, an Affiliate of IHG, or a licensee or franchisee of IHG under the Brand System in any of the fifty (50) states of the United States of America, the District of Columbia, or Canada, and does not include any other hotel operated under a different brand or any other business operation of IHG. An "Affiliate" means, as to any Entity, any division, subsidiary, parent or other Entity that, directly or indirectly, Controls, is Controlled by or is under common Control with such Entity.

2. <u>Grant of License</u>:

IHG hereby grants to Licensee a limited, non-exclusive license to use the Brand System only at the Hotel, but only in accordance with this License and only during the "License Term" beginning with the Effective Date and terminating as provided under paragraph 11 hereof, and Licensee accepts the right and obligation to operate the Hotel pursuant to the terms of this License. This License applies to the location of the Hotel specified in Attachment "A" hereof (the "Location") and to no other location. Licensee acknowledges that IHG and its Affiliates are and may in the future be engaged in other business activities, including, without limitation, activities involving transient lodging and related activities, and that Licensee is acquiring no rights hereunder other than the right to use the Brand System as specifically defined herein in accordance with the terms of this License.

This License does not limit IHG's right, or the rights of any Affiliate of IHG, to use or license the Brand System or any part or element thereof or to engage in or license any business activity at any other location, including, without limitation, the licensing, franchising, ownership, operation and/or management of lodging facilities and related activities under the names and Marks associated with the Brand System and/or any other names and marks. Licensee acknowledges that IHG's rights to use and/or license the Brand System, referenced immediately above, pre-date this License and are not limited or changed by the terms of this License. Licensee agrees that by acknowledging those rights, the parties do not intend to make IHG's exercise of such rights subject to rules applicable to contractual performance or the exercise of contractual discretion under this License.

3. <u>Licensee's Responsibilities</u>:

A. <u>Operational and Other Requirements</u>.

Throughout the entire License Term, Licensee will at its sole cost and expense:

(1) maintain a high moral and ethical standard and atmosphere at the Hotel;

(2) maintain the Hotel in a clean, safe and orderly manner and in first class condition;

(3) provide efficient, courteous and high-quality service to the public in a clean, safe and orderly manner, including, without limitation, maintaining minimum product and service quality standards and scores for quality assurance and guest survey programs established and maintained by IHG, as such programs may be modified by IHG from time to time;

(4) operate the Hotel 24 hours a day every day in accordance with the Standards, except as otherwise permitted by IHG in writing based on special circumstances;

(5) strictly comply in all respects with the Standards (as they may from time to time be modified or revised by IHG) and with all other policies, procedures and requirements of IHG which may be from time to time communicated to Licensee (which communication, at IHG's option, may be in hard paper copy or digital, electronic or computerized form, and Licensee must pay any costs to retrieve, review, use or access such digital, electronic or computerized communication);

(6) strictly comply with all of IHG's standards and specifications for goods and services used in the operation of the Hotel and other reasonable requirements to protect the Brand System and the Hotel from unreliable sources of supply;

(7) strictly comply with IHG's requirements as to the:

(a) type of services and products that may be used, promoted or offered at the Hotel;

(b) type and quality of services and products that, to supplement services listed on Attachment "A", must be used, promoted or offered at the Hotel;

(c) use, display, style and type of signage and of all other forms of identification at or pertaining to the Hotel, including but not limited to any use of the voco® Hotels name or any other of IHG's service marks, trademarks or copyrights (in all formats, including but

not limited to print, electronic or other media) which are seen by members of the consuming public or used to identify the Hotel to actual or prospective consumers;

(d) directory and reservation service listings of the Hotel;

(e) training of Persons to be involved in the operation of the Hotel;

(f) participation in all marketing, reservation service, advertising, training and operating programs designated by IHG as Brand System-wide (or area-wide) programs in the best interests of hotels using the Brand System including, without limitation, all guest frequency or loyalty programs related to the Brand System;

(g) maintenance, repair, appearance and condition of, and customer service at, the Hotel, including, without limitation, participation in all guest complaint programs and quality assurance programs established and maintained by IHG, as such programs may be modified by IHG from time to time;

(h) quality and types of services offered to customers at the Hotel; and

(i) maintenance of a capital reserve and adherence to capital reinvestment and renovation cycles (as further specified in paragraph 13.O. hereof and as IHG may supplement from time to time by the Standards);

(8) use all technology services required by IHG;

(9) adopt all improvements or changes to the Brand System as may be designated by IHG from time to time;

(10) with respect to all aspects of this License and the Hotel and its ownership, development and operation, strictly comply with all applicable laws, rules, regulations, requirements, codes, orders, ordinances and standards of all governmental jurisdictions in which the Hotel is located or that are otherwise applicable to Licensee or the Hotel, pay timely all taxes and other governmental fees, assessments and impositions, and timely obtain and maintain throughout the License Term all governmental licenses, authorizations and permits necessary to own (or lease, as may be applicable) and operate the Hotel in accordance with the Brand System;

(11) strictly comply with IHG's requirements as to guest satisfaction and guest complaint programs, as such programs may be modified by IHG from time to time;

(12) participate in IHG's quality evaluation system, as such system may be modified by IHG from time to time (the "Quality System"). The Quality System may include, but shall not be limited to, online questionnaires for the Hotel to complete and/or inspections of the Hotel by IHG's representatives;

(13) permit inspection of the Hotel by IHG's representatives at any time and give them free lodging for such time as may be reasonably required to complete their inspections; and take all such steps as are necessary to incorporate into the Hotel operations any corrections and modifications IHG requires to maintain the Standards, as quickly as is reasonably possible;

(13) promote the Hotel on a local or regional basis subject to IHG's requirements as to form, content and prior approvals;

(14) ensure that no part of the Hotel or the Brand System is used to further, promote, or divert business to a competing business or other lodging facility (including, without limitation, hotels, vacation or timeshare facilities or any similar product sold on a periodic basis), except as IHG may approve for businesses or lodging facilities owned, licensed, operated or otherwise approved by IHG or its Affiliates;

(15) use every reasonable means to encourage use of Brand System facilities everywhere by the public;

(16) in all respects use Licensee's best efforts to reflect credit upon and create favorable public response to the name "voco® Hotels";

(17) promptly pay to IHG all amounts due to IHG and its Affiliates as royalties or charges, whether or not arising out of this License, or for goods or services purchased by Licensee for use at the Hotel; and

(18) strictly comply with IHG's requirements concerning confidentiality of information; and, in particular, Licensee shall not disclose, without IHG's written permission, (i) information pertaining to IHG's marketing, reservations, quality assurance, guest loyalty and satisfaction, technology or other systems or programs that has not been intentionally disclosed to the public by IHG, (ii) any of the Standards, or (iii) any of the commercial terms or provisions of this License.

B. Fees.

For each month (or part of a month) during the License Term, Licensee will pay the fees set forth in this paragraph 3.B. to IHG, which shall be due to IHG by the "Due Date" (except as otherwise noted below including, without limitation, the Technology Services Fee which is payable monthly in advance). The term "Due Date" means the fifteenth (15th) day of the following month; but if the 15th day of the month falls on a weekend or bank holiday, then the Due Date shall be the next business day.

(1) Application Fee. Licensee has paid IHG the nonrefundable Application Fee as set forth in Item 3 of Attachment "A").

(2) Rooms Addition Fee. A standard application fee for additional guest rooms or suites, as set forth in IHG's then current franchise disclosure document for Brand System hotels, will be charged upon application for any guest rooms or suites to be added to the Hotel.

(3) Royalty Fee. A monthly Royalty Fee in the amount set forth in Item 4 of Attachment "A". Licensee agrees and acknowledges that additional royalties may be charged on revenues from any activity if it is added at the Hotel by mutual agreement and it is not now offered at Brand System Hotels generally or it is designed or developed by or for IHG or its Affiliates. The Royalty Fee is solely in consideration of our granting Licensee the franchise conferred by this License and is not in exchange for any goods, services or assistance which may be furnished by IHG.

(4) IHG System Fund Contribution. "IHG System Fund Contribution" means the assessments paid by Licensee, comprised of the Services Contribution and the Loyalty Program Contribution, for the IHG System Fund Activities (as defined in paragraph 4.G) to be provided by IHG and its Affiliates.

a. Services Contribution. A monthly Services Contribution in the amount set forth in Item 5 of Attachment "A". The Services Contribution will typically be invested by IHG in activities that, in IHG's sole business judgment as to the long-term interests of the Brand System, strengthen the brand such as awareness advertising, marketing, sales, guest services, reservations, standards, training programs, research, and the development of new or improved services, associated products and platforms, but may also include tactical marketing initiatives more focused on short term revenue enhancement and seasonal marketing programs. The Service Contribution cannot be used to cover the cost of maintenance, repair, modernization, renovation, or upgrading of the Hotel. The Services Contribution does not include costs that Licensee incurs in the acquisition, installation or maintenance of reservations services, equipment or training, or in Licensee's own marketing activities. IHG and its Affiliates are not responsible for any of these costs.

The Services Contribution is subject to change by IHG from time to time. IHG may, on 30 days advance notice, at any time during the term of this License, and from time to time, increase the Services Contribution by up to 1% of Gross Rooms Revenue (as such term is defined on Attachment "A"). If IHG increases the

Services Contribution in this way, then IHG cannot make another discretionary increase again for 24 months after the start of a prior increase. IHG may increase the Services Contribution by a maximum of 2% of Gross Rooms Revenue over the License Term.

b. Loyalty Program Contribution. An Initial Loyalty Marketing Contribution and a monthly Loyalty Program Contribution, currently known as the "IHG One Rewards Fee" (or other guest loyalty and frequency program fee as it may be re-characterized from time to time) at the prevailing rate on qualifying room rates and other eligible hotel charges for each night of a hotel stay on which IHG One Rewards points or frequency miles (related to an airline frequency alliance program) are required to be awarded by the terms of the IHG One Rewards program. The current prevailing rate is set forth in Item 5 of Attachment "A". IHG may modify the amounts or the terms and conditions of the Initial Loyalty Marketing Contribution and the Loyalty Program Contribution from time to time in its sole discretion.

(5) Technology Services Fee. A monthly Technology Services Fee as set forth in Item 6 of Attachment "A" and any other fees as set out in the Master Technology Services Schedule in Attachment "D" hereto. The Technology Services Fee will be used by IHG to cover costs and investments that, in IHG's sole discretion, support the development and maintenance of IHG's technology systems. The Technology Services Fee may be increased in IHG's reasonable discretion, but in no case shall any such increase in any calendar year exceed 10% of the fee in effect at the beginning of that year. The Technology Services Fee does not include the cost, installation, maintenance or repair of any technology equipment at the Hotel.

(6) Travel Agent Commissions, Reimbursement and Additional Marketing Programs. All fees due for travel agent commission programs, including Electronic Commission Services and any Field Marketing Co-op programs attributable to the Hotel, and all fees due in connection with mandatory marketing, technology, guest satisfaction, quality assurance, training, new hotel opening and other systems and programs established by IHG or its Affiliates relating to the Brand System; and an amount equal to any sales, trademark license, gross receipts or similar tax imposed on IHG and calculated solely on payments required hereunder, unless the tax is an optional alternative to an income tax otherwise payable by IHG.

Local and regional marketing programs and related activities may be conducted by Licensee, but only at Licensee's expense and subject to IHG's requirements and the Standards. Reasonable charges may be made for optional advertising materials ordered or supplied by IHG to Licensee for such programs and activities.

C. Additional Payment Terms.

IHG may, at its election at any time during the License Term, require Licensee to pay all outstanding fees by electronic funds transfer, direct account debit, ACH or other similar technology designed to accomplish the same purpose as may be designated by IHG. If IHG requires Licensee to make payments by any of the foregoing methods, Licensee agrees to make its payment in compliance with those requirements and also to deposit and maintain at all times sufficient funds to cover all fees and payments that Licensee owes to IHG and its Affiliates in a segregated bank account that Licensee establishes and maintains for the Hotel.

Licensee will operate the Hotel so as to maximize Gross Rooms Revenue of the Hotel consistent with sound marketing and industry practice and will not engage in any conduct that reduces Gross Rooms Revenue of the Hotel in order to further other business activities. Charges may be made for optional products or services accepted by Licensee from IHG, either in accordance with current practice or as developed in the future.

Each payment under paragraph 3.B., except the Rooms Addition Fee or other fees not determined from Gross Rooms Revenue, shall be accompanied by the monthly statement referred to in

paragraph 7.A. IHG may apply any amounts received under this License to any amounts due under this License. If any amounts under this License are not paid when due, such non-payment shall constitute a breach of this License and, in addition, such unpaid amounts will accrue interest beginning on the first day of the month following the due date at 1½% per month or the maximum interest permitted by applicable law, whichever is less.

IHG has the right, in its sole judgment, to require Licensee to tender all or any part of the payments due to IHG under this License to IHG or one or more of IHG's Affiliates or other designees.

4. IHG's Responsibilities:

A. Training.

During the License Term, IHG will continue to specify and provide required and optional training services and programs at various locations and in various formats. A fee may be charged for certain required and optional training services. Travel, lodging and other expenses of Licensee and its employees will be borne by Licensee. Reasonable charges may also be assessed for training materials.

B. Reservation Services.

During the License Term, so long as Licensee is in full compliance with its obligations hereunder, IHG will afford Licensee access to reservation service for the Hotel under the terms of the Master Technology Services Schedule set forth in Attachment "D" hereto. However, IHG has no obligation to afford Licensee access to reservation service for the Hotel regarding reservations for any date after the expiration date of this License or for any date after the termination date established by IHG, following any applicable notice period or any applicable opportunity to cure.

C. Consultation on Operations, Facilities and Marketing.

During the License Term, IHG shall have the right (but not the obligation) to make available to Licensee consultation and advice in connection with operations, facilities and marketing. IHG may from time to time furnish to Licensee names of suppliers or recommend to Licensee suppliers of goods and services required or useful in the operation of the Hotel; however, IHG is not obligated to furnish any such names or to continue doing so, and Licensee is under no obligation to use any such supplier, unless expressly required to do so by the terms of this License, the Standards or otherwise. In identifying or recommending suppliers, IHG exercises its business judgment based on its information as of that date and its sense of the long-term interests of the Brand System. IHG's identification or recommendation of a supplier is not a warranty of the financial condition or performance of any supplier or of any other factor. Licensee's use of an identified or recommended supplier that sells products or services meeting IHG's standards and specifications may facilitate compliance with those standards and specifications, but it is not a substitute for Licensee's compliance obligations.

D. Maintenance of Standards.

IHG will seek to maintain high standards of quality, cleanliness, appearance, design and service at all hotels using the Brand System so as to promote, protect and enhance the public image and reputation of the "voco® Hotels" name and to increase the demand for services offered by the Brand System. IHG's judgment in such matters shall be controlling in all respects, and it shall have wide latitude in making such judgments.

E. Application of Standards.

The Hotel and all other hotels operated under the Brand System will be subject to the Standards, as they may from time to time be modified or revised by IHG, including limited exceptions from compliance which may be made based on local conditions, type of hotel or special circumstances. The Standards and any modifications to them can be delivered by IHG to Licensee in hard paper copy or, at IHG's option, be made available to Licensee in digital, electronic or other computerized form. If communicated in digital, electronic or other computerized form, Licensee must pay any costs to retrieve, review, use or access the Standards. The Standards are confidential and remain the property of IHG.

F. Other Arrangements for Marketing, Etc.

IHG may enter into arrangements for development, reservation services, marketing, operations, administrative, training, technical and support functions, facilities, programs, services and/or personnel with any other entity, and may use any facilities, programs, services or personnel used in connection with the Brand System, in connection with any business activities of its Affiliates.

G. Use of Services Contribution.

IHG will make available and use Services Contribution funds (as may be computed on the basis generally applicable to licensees of the Brand System) for various activities, including IHG System Fund Activities. IHG is not obligated to expend funds for marketing, reservations or related services in excess of the amounts received from licensees using the Brand System and those funds made available by IHG as set forth above. Services Contribution funds are not intended to benefit any specific market or hotel. IHG and its Affiliates have no obligations to spend from Services Contribution funds, or otherwise, any amount fixed or proportionate to the amount of Services Contributions Licensee pays, nor do IHG or its Affiliates have any obligation to ensure that Licensee benefits directly or proportionately from Services Contributions paid or expenditures made from collected Services Contributions. Local and regional marketing programs and related activities may be conducted by Licensee but only at Licensee's expense and subject to IHG's requirements. Reasonable charges may be made for optional advertising materials ordered or used by Licensee for such programs and activities.

"IHG System Fund Activities" means various activities and arrangements organized and operated by IHG and its Affiliates (as they deem appropriate, in their sole discretion) for the provision of loyalty marketing services, distribution marketing services, brand marketing services and other such marketing and related programs and services for Brand System Hotels and the IHG Portfolio Brand Hotels (as hereinafter defined). These activities may be conducted on a local, regional, national, continental or international basis for all, or a group of, IHG Portfolio Brand hotels. IHG and its Affiliates may modify, in their absolute discretion, the IHG System Fund Activities from time to time. IHG System Fund Activities may include (within IHG's and its Affiliates sole discretion) any purposes that benefit or include Brand System Hotels, as a whole, groups of Brand System Hotels, or other IHG Portfolio Brand Hotels. IHG and its Affiliates have no obligation to ensure that any particular IHG Portfolio Brand Hotel, or particular group of Brand System Hotels, including the Hotel, benefits from the IHG System Fund Activities on a pro-rata or other basis or that the Hotel will benefit from the IHG System Fund Activities proportionate to the contributions paid by Licensee. "IHG Portfolio Brand Hotel(s)" means any hotel, other lodging facility, chain, brand or hotel system, however named, that is constructed, converted to or operated under any brands owned, controlled or under the direction of IHG and its Affiliates, as they may be added to, deleted from or changed from time to time.

H. Performance of IHG's Obligations.

Licensee understands and agrees that IHG shall have the right to perform any or all of its obligations under this License directly or through IHG's Affiliates or other designees.

5. Changes In The Standards:

Each change in the Standards shall be communicated in writing to Licensee at least 30 days before it goes into effect (which communication may be in hard paper copy or, at IHG's option, in digital, electronic or other computerized form, and if such communication is in digital, electronic or other computerized form, Licensee must pay any costs to retrieve, review, use or access same). IHG's designated internal franchise committee or subcommittee, must approve any such change and must determine, in the exercise of its business judgment, that the change was adopted in good faith and is consistent with the long-term overall interests of the Brand System.

6. Proprietary Rights:

A. Ownership of the Brand System.

Licensee acknowledges and agrees: (a) not to contest, either directly or indirectly, IHG's and its Affiliates' unrestricted and exclusive ownership of and right to use the Brand System and any element(s) or component(s) thereof; (b) that IHG or any of its Affiliates has the sole and exclusive right to grant licenses to use all or any element(s) or component(s) of the Brand System; and (c) that it will not take any action in derogation of such ownership and rights of IHG and any of its Affiliates. Licensee specifically agrees and acknowledges that IHG owns or is licensed to use the name and mark "voco®" and all other Marks, as defined in paragraph 6.B. below, and other elements associated with the Brand System or derived therefrom (including but not limited to domain names or other identifications or elements used in electronic commerce), together with the goodwill symbolized thereby, and that Licensee will not contest, directly or indirectly, the validity or ownership of the Marks or take any other action in derogation of such validity or ownership either during the term of this License or after its termination. All improvements, modifications and additions whenever made to or associated with the Brand System by the parties hereto or anyone else, and all service marks, trademarks, copyrights, and service mark, trademark, domain name or similar registrations at any time used, applied for or granted in connection with the Brand System, and all goodwill arising from Licensee's use of IHG's Marks and other intellectual property, including (without limitation) local goodwill, shall inure to the benefit of and become the property of IHG. Upon expiration or termination of this License, no monetary amount shall be assigned as attributable to any goodwill associated with Licensee's use of the Brand System or any element(s) or component(s) of the Brand System including any trademarks or service marks licensed hereunder.

B. Trademark Disputes.

The "Marks" means the name and mark "voco®", IHG One Rewards and IHG Concerto and their distinguishing characteristics and the other service marks, trademarks, trade names, slogans, commercial symbols, logos, trade dress, copyrighted material and intellectual property associated with the Brand System, including, without limitation, those which IHG may designate in the future for use and those which IHG does not designate as withdrawn from use. Licensee shall notify IHG immediately of (i) an infringement, or a challenge to Licensee's use of any of the Marks; (ii) any objections, demands, controversies, allegations or actions asserted or taken by third parties involving any of the Marks or any part of the Brand System of which Licensee becomes aware; and, (iii) any potentially infringing or unauthorized uses of any of the Marks or any part of the Brand System of which Licensee becomes aware. IHG or its Affiliates will have the sole and exclusive right to handle disputes with third parties concerning use of all or any part of the Marks or Brand System, and Licensee will, at its reasonable expense, extend its full cooperation to IHG in all such matters. All recoveries made as a result of disputes with third parties regarding use of the Marks or Brand System or any part thereof shall be for the account of IHG. IHG need not initiate suit against alleged imitators or infringers, and may settle any dispute by grant of a license or otherwise. Licensee will not initiate any suit or proceeding against alleged imitators or infringers, or any other suit or proceeding to enforce or protect the Marks or Brand System.

C. Protection and Use of Name and the Marks.

Both parties will make every effort consistent with the foregoing to protect and maintain the Marks. Licensee agrees to execute any documents deemed necessary by IHG or its counsel to obtain or maintain protection for the Marks or any part of the Brand System or to maintain their continued validity and enforceability. Licensee agrees to use the Marks associated with the Brand System (i) only in connection with the operation of the Hotel during the License Term following the opening of the Hotel in the Brand System or at such earlier time as is expressly and specifically authorized by IHG, (ii) only in the manner expressly authorized by IHG and (iii) in no way that would tend to allow the Marks to become generic, lose their distinctiveness, become liable to mislead the public or be detrimental to or inconsistent with the good name, goodwill or favorable reputation and image of the Marks or IHG. Licensee acknowledges that any unauthorized, unpermitted or prohibited use of any of the Marks shall constitute infringement of IHG's rights. The restrictions and requirements that limit Licensee's use of the Marks and identifications apply to all formats (including print, electronic and other media) and include domain names, URL, and other identifications or elements used in electronic commerce. Licensee shall not, directly or indirectly, use, register, obtain or maintain a registration for any trademark that contains any Mark or any other of IHG's

service marks or trademarks that is, in IHG's sole opinion confusingly similar, to any of the Marks or any other of IHG's service marks or trademarks (including misspellings, abbreviations and initials).

D. Modification or Discontinuation of the Marks.

If IHG modifies or discontinues use of any of the Marks licensed under this License as a result of any proceeding or settlement or for any other reason, then Licensee agrees to comply with IHG's instructions in order to implement such modification or discontinuation. Licensee further agrees that it will have no right to any compensation or other remedies from IHG or any of its Affiliates as a consequence of any such modification or discontinuation.

E. Architectural Modifications.

If Licensee engages a third party, in compliance with the terms of this License to prepare modifications, additions, and/or improvements to any architectural drawings or architectural works which may be licensed to Licensee as part of the Brand System ("Architectural Modifications"), Licensee shall cause such third party (and all persons that work for or that provided services to that third party) to assign all copyrights in such Architectural Modifications to IHG in such form and manner as IHG may specify from time to time.

F. Digital Marketing.

IHG shall have the right (but not the obligation) to establish and operate websites, social media accounts, applications, keyword or ad word purchasing programs, or other means of digital advertising on the internet, any electronic communications network, and/or in any other digital format (collectively, "Digital Marketing"). IHG will have the right to control all aspects of any Digital Marketing, including those related to the Hotel. Licensee must engage a search engine optimization firm and search engine marketing firm as required by the Standards. IHG will operate and maintain a website for IHG Portfolio Brand Hotels, which will include basic information related to the Hotel. Licensee further acknowledges that the www.ihg.com domain name is the sole property of IHG, and is one of the landing pages for other IHG Portfolio Brand Hotels. Licensee shall not, directly or indirectly, use, register, obtain or maintain a registration for any Internet domain name, address, social media or social network name or address, digital platform name, and/or any other designation that contains any Mark or any other mark that is, in IHG's sole opinion confusingly similar, to any of the Marks (including misspellings, abbreviations and initials). Upon IHG's request, Licensee must promptly take all steps to cancel or transfer to IHG or IHG's designee any such domain name, address, or other designation under its direct or indirect control, without payment of any compensation to Licensee. If IHG does permit Licensee to conduct any Digital Marketing, Licensee must comply with any policies, standards, guidelines, or content requirements established by IHG periodically and must immediately modify or delete any Digital Marketing that IHG determines, in its sole discretion, is not compliant with such policies, standards, guidelines, or requirements. IHG may withdraw its approval of any Digital Marketing at any time.

7. Data, Records and Audits:

A. Data.

As used in this paragraph 7.A., the following terms shall have the meanings set forth respectively after each:

"Excluded Personal Data" means any sensitive Personal Data (as defined by applicable Data Privacy Laws), government-assigned identifiers, health and/or medical data, and vehicle/parking data.

"Guest Data" means Personal Data of Hotel guests and other Hotel customers, including their reservations, purchases, preferences, and related information. Guest Data may be IHG Personal Data, Licensee Personal Data, or both.

"IHG Marketing Data" means Personal Data in respect of any member of IHG's or its Affiliates' marketing or loyalty rewards program.

"IHG Personal Data" means IHG Marketing Data and any Personal Data, including Guest Data, collected by IHG or transmitted to IHG from Licensee, including (i) any Personal Data collected through any reservation channels operated by or at the direction of IHG or its Affiliates, and (ii) any data that Licensee transfers to IHG's guest reservations system or other centrally managed IHG systems. For the avoidance of doubt, certain data may be both IHG Personal Data and Licensee Personal Data.

"Licensee Personal Data" means any Personal Data (excluding any IHG Marketing Data) that is held and processed locally at the Hotel by Licensee for which Licensee is an independent controller, Licensee employee Personal Data for which Licensee is the sole controller, and Excluded Personal Data for which Licensee is the sole controller, including (i) data contained in the Hotel's property management system and (ii) Personal Data relating to Hotel employees. For the avoidance of any doubt, Licensee Personal Data does not include IHG Marketing Data.

(1) *Use of Personal Data*. "Personal Data" means that data, as defined by the Data Privacy Laws (as hereinafter defined), that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a natural living person or household. The term Personal Data also includes "*Personal Information*" as defined in applicable Data Privacy Laws. Personal Data is being disclosed only for the limited and specific purposes set forth in this License. Each party shall comply with its obligations and will provide the same level of privacy protection as required by the Data Privacy Laws and shall notify the other party if it makes a determination that it can no longer meet its obligations under the Data Privacy Laws with respect to its use of the other party's Personal Data. Each party shall have the right to take reasonable and appropriate steps to help ensure that any Personal Data that is licensed by either party to the other is used in a manner that is consistent with each party's respective obligations under the Data Privacy Laws and, upon written notice, may take reasonable and appropriate steps to stop and remediate unauthorized use of such licensed data. "Data Privacy Laws" means, to the extent applicable, the privacy and data protection laws and regulations applicable to the Personal Data about data subjects in the United States.

(2) *Use of Licensee Personal Data.* To the extent Licensee transfers Licensee Personal Data or Guest Data to IHG or its Affiliates, such data forms part of the IHG Personal Data and IHG may use such data as permitted by applicable law. Licensee hereby grants to IHG and its Affiliates a non-exclusive, worldwide, perpetual and royalty-free license to use (including the right to sublicense) the Licensee Personal Data (except for the Excluded Personal Data) free of charge, for the purposes of IHG's performance of its obligations under this License, including, without limitation, the right to transfer Licensee Personal Data across national borders and to transfer Licensee Personal Data to third parties. IHG may retain a copy of Licensee Personal Data upon the termination or expiration of this License. Licensee represents, warrants, and covenants that any Licensee Personal Data transferred to IHG or its Affiliates for the purposes of this License has been collected, retained, used, and transmitted in compliance with applicable Data Privacy Laws.

(3) *Use of IHG Personal Data*. Subject to the provisions of any applicable Data Privacy Laws, as between Licensee and IHG, all IHG Personal Data is the property of IHG, and IHG shall have the right to use and transfer such data on a worldwide basis during and after the License Term. During and after the License Term, Licensee shall have a non-exclusive, royalty-free license to use any Guest Data stored in the Hotel's property management system only for purposes of operating the Hotel; provided, that: (i) Licensee shall have no right to use the IHG Marketing Data except for the purpose of operating the Loyalty Program during the License Term, and Licensee must remove, or IHG and its Affiliates shall have the right, at Licensee's cost, to remove all IHG Marketing Data from the Hotel's property management system and other Hotel records upon expiration or termination of this License; (ii) Licensee shall retain, use and transmit (and procure that any agent or representative of Licensee that manages the Hotel after the termination of this License retain, use and transmit) such Guest Data only (a) in accordance with all Data Privacy Laws, and (b) to the extent permitted pursuant to any consents obtained from the relevant guests, employees or other individuals (the parties acknowledging that IHG provides no warranty or guaranty regarding any such consents); (iii) Licensee shall not sell or transfer the IHG Personal Data including, but not limited, to any Affiliate or other hotel of Licensee and will not combine IHG Personal Data with the Personal Data of any other hotel brand, company or operator; and (iv) Licensee may not use IHG Personal Data for any marketing purpose. With respect to IHG Marketing Data, Licensee will act as IHG's processor and is prohibited from (x) "selling" or "sharing" it (as defined by Data Privacy Laws), (y) processing it for any purposes other than as expressly permitted by IHG, including any commercial purposes, or outside of

Licensee's direct business relationship with IHG, or (z) combining it with Personal Data Licensee receives from others or that its collects from its own interactions with consumers. Licensee may not engage any subprocessors to process IHG Marketing Data.

(4) *Operating Data and Guest Data.* "Operating Data" includes all information concerning Gross Rooms Revenue and Gross Revenue, other revenues generated at the Hotel, occupancy rates, reservation data and other information required by IHG that may be useful (in IHG's sole business judgment) in connection with marketing, reservations, guest loyalty and satisfaction and other functions, purposes or requirements of IHG and its Affiliates. Operating Data and Guest Data may be used by IHG for its reasonable purposes, including without limitation for company and industry reporting purposes. Licensee agrees that any Operating Data and any Guest Data provided by it pursuant to this License, as well as any other reports, data, information or material provided to IHG pursuant to or in connection with this License, shall be true and correct and not misleading and shall comply with all Standards, policies and requirements of IHG with respect to privacy and security of Operating Data and Guest Data of the Hotel. Licensee acknowledges and agrees that IHG may retrieve Operating Data, Guest Data, and Licensee Personal Data directly through the reservations system, via electronic transmission or automatic capture.

(5) *Data Privacy Laws*. Licensee will: (i) comply with all applicable Data Privacy Laws; (ii) comply with all of IHG's requirements regarding data protection contained in the Standards or otherwise; (iii) refrain from any action or inaction that could cause IHG or its Affiliates to breach any of the Data Protection Laws; (iv) do and execute, or arrange to be done and executed, each act, document and thing necessary or desirable to keep IHG in compliance with any of the Data Protection Laws; (v) reimburse IHG for any and all costs incurred in connection with the breach by Licensee of such Data Privacy Laws or Brand Standards; (vi) immediately report to IHG the theft or loss of Personal Data or Guest Data; and (vii) permit IHG and its Affiliates to use any data or other information each of them gathers concerning Licensee, its Affiliates and/or the Hotel in connection with the establishment and operation of Brand System Hotels by IHG and its Affiliates. Licensee will implement commercially reasonable physical, administrative, and technical security controls for its processing of IHG Personal Data that are appropriate to the context and the risk of the Personal Data being processed.

B. <u>Preparation and Maintenance of Records</u>.

Licensee will, in a manner and form satisfactory to IHG and utilizing accounting and reporting standards as reasonably required by IHG, prepare on a current basis (and preserve for no less than four years or IHG's record retention requirements, whichever is longer), complete and accurate records concerning Gross Rooms Revenue and all financial, operating, marketing and other aspects of the Hotel. Licensee will maintain an accounting system which fully and accurately reflects all financial aspects of the Hotel and its business. Such records shall include but not be limited to books of account, tax returns, governmental reports, register tapes, daily reports, and complete quarterly and annual financial statements (profit and loss statements, balance sheets and cash flow statements). The requirement to preserve records as set forth herein shall continue beyond the expiration or sooner termination of the License Term.

C. <u>Audit</u>.

IHG may require Licensee to have the Hotel's Gross Rooms Revenue and/or monies due hereunder computed and certified as accurate. During the License Term and for two years afterward, IHG and its authorized agents will have the right to verify information required under this License by requesting, receiving, inspecting and auditing, at all reasonable times, any and all records referred to above wherever they may be located (or elsewhere if reasonably requested by IHG). If any such inspection or audit discloses a deficiency in any payments due hereunder, and the deficiency in any payment is not offset by overpayment, Licensee shall immediately pay to IHG the deficiency and interest thereon as provided in paragraph 3.C. along with an audit fee of $3,000, as such amount may be increased by IHG. No acceptance by IHG of any audit fee or deficiency payment shall be deemed to waive any right of IHG to pursue a default under this License by reason of such underpayment. If the audit does not result in a deficiency being assessed, then no audit fee will be assessed. If the audit discloses an overpayment, IHG will credit this overpayment, without interest, against future payments due from Licensee under this License or if this License has terminated promptly refund it, without interest to Licensee.

D. <u>Annual Financial Statements</u>.

If requested by IHG, Licensee will submit to IHG as soon as available but not later than 90 days after such request, and in a format as reasonably required by IHG, complete financial statements for the prior year. Licensee will certify them to be true and correct and to have been prepared in accordance with generally accepted accounting principles and the Uniform System, consistently applied, and any false certification will be a breach of this License.

8. Indemnity and Insurance:

A. Indemnity.

Licensee will indemnify IHG, its Affiliates and each of their respective officers, directors, employees, agents, successors and assigns (collectively, the "Indemnitees") against, hold them harmless from, and promptly reimburse them for all payments of money (fines, damages, legal fees, expenses, settlement amounts, judgments, etc.) by reason of any claim, demand, tax, penalty, or judicial or administrative investigation, arbitration action or proceeding whenever asserted or filed (even where negligence of any of the Indemnitees is alleged), regardless of whether any of the foregoing is reduced to judgment, arising from any claimed occurrence at or related to the Hotel or any act, error, neglect, omission or obligation of Licensee or anyone associated or affiliated with Licensee or the Hotel. Licensee agrees to give IHG written notice of any such judicial or administrative investigation or proceeding or any other event that could be the basis for a claim for indemnification by any Indemnitee within three days of Licensee's knowledge of it. At the election of IHG, Licensee will also defend IHG and/or the other Indemnitees against the indemnified matters. In any event, IHG will have the right, through counsel of its choice, to control any matter to the extent it could directly or indirectly affect IHG and/or any of the other Indemnitees. IHG will have the right, at any time it considers appropriate, to offer, order, consent or agree to settlements or take any other remedial or corrective actions it considers expedient with respect to any action, suit, proceeding, claim, demand, inquiry or investigation if, in IHG's sole judgment, there are reasonable grounds to do so. Under no circumstance will IHG or any of the other Indemnitees be required to seek recovery from third parties or otherwise mitigate its or their losses to maintain a claim against Licensee. Licensee agrees that any failure to pursue recovery from third parties or mitigate loss will in no way reduce the amounts recoverable by IHG or any of the other Indemnitees from Licensee. Licensee agrees to pay IHG all expenses, including attorneys' fees and court costs, incurred by IHG or any of the other Indemnitees, and their successors and assigns, to remedy any defaults of or enforce or defend itself or any rights under this License (including without limitation any claim, cross-claim or counter-claim brought by Licensee), to effect termination of this License or collect any amounts due under this License.

B. Insurance.

During the License Term, Licensee will comply with all insurance requirements of any lease or mortgage covering the Hotel, and IHG's specifications for insurance as to the amount and type of coverage as may be reasonably specified by IHG from time to time in writing, and will in any event maintain on the Hotel as a minimum, the following insurance underwritten by a reputable insurer approved by IHG:

(1) employer's liability with minimum limits of $1,000,000 per occurrence;

(2) worker's compensation insurance;

(3) employment practices liability insurance (including coverage for harassment, discrimination and wrongful termination and covering defense and indemnity costs) with a limit of $1,000,000 in the aggregate;

(4) the holder of the liquor license will maintain liquor liability insurance with single limit coverage for personal and bodily injury and property damage of at least $15,000,000 per occurrence naming IHG and its Affiliates (and Licensee if applicable) as additional insureds; and

(5) commercial general liability insurance (including coverage for product liability, completed operations, contractual liability, host liquor liability and fire legal liability) and business automobile liability insurance (including hired and non-owned liability) with single-limit coverage for personal and bodily injury and property damage of at least $15,000,000 per occurrence, naming IHG and its Affiliates as additional insureds. In connection with all construction at the Hotel during the License Term, Licensee will cause the

general contractor to maintain commercial general liability insurance (including coverage for product liability, completed operations and contractual liability) and business automobile liability insurance (including hired and non-owned liability) with limits of at least $15,000,000 per occurrence for personal and bodily injury and property damage underwritten with insurers approved by IHG. IHG and its Affiliates will be named as additional insureds.

(6) If multiple locations are insured on policies containing an aggregate limit, then the aggregate limit must apply on a per location aggregate basis.

(7) Licensee will ensure the royalties, Services Contributions and any other sums payable to IHG are insured within the Licensee's business interruption insurance policy. The policy should insure against 'all risks' of physical loss or damage, and be endorsed to provide for payments to be made directly to IHG.

(8) All policies must be written on a fully insured basis. Deductibles or self-insured retentions are subject to IHG's approval on an individual basis.

C. Evidence of Insurance.

At all times during the License Term, Licensee will furnish to IHG certificates of insurance evidencing the term and limits of coverage in force, names of applicable insurers and persons insured. Revised certificates of insurance shall be forwarded to IHG each time a change in coverage or insurance carrier is made by Licensee, and/or upon renewal of expired coverages. At IHG's option, Licensee may be required to provide certified insurance policy copies. If Licensee fails to procure or maintain the insurance coverages and limits set forth in paragraph 8.B., IHG will have the right and authority (but not the obligation) to procure such insurance at Licensee's cost, including any costs incurred by IHG for procurement and maintenance of such insurance.

9. Transfer:

A. Transfer by IHG.

IHG shall have the right to transfer or assign this License or any or all of IHG's rights, duties or obligations hereunder, in whole or in part, to any Person without requirement of prior notice to, or consent of, Licensee.

B. Transfers by Licensee.

Licensee represents, warrants and agrees (on behalf of itself and its owners, members, partners or stockholders of Licensee, if Licensee is a partnership, limited liability company, corporation or other legal entity (an "Entity")) that the ownership of Licensee set forth on Attachment "A" is current, complete and accurate. Without limiting IHG's rights or Licensee's obligations under this paragraph, upon the reasonable request of IHG, Licensee will submit to IHG evidence, in form and substance satisfactory to IHG, confirming the ownership information set forth on Attachment "A". Upon any Transfer under this Paragraph 9 or otherwise permitted by IHG, Licensee will provide a list of the names and addresses of any new owners, members, partners or stockholders of Licensee and update Attachment "A".

Licensee understands and acknowledges that the rights and duties set forth in this License are personal to Licensee, and that IHG has granted this License in reliance on the business skill, financial capacity, and personal character of Licensee (if Licensee is a natural person), and upon the owners, members, partners or stockholders of Licensee (if Licensee is an Entity). Accordingly, neither Licensee nor any immediate or remote successor to any part of Licensee's interest in this License, nor any Person which directly or indirectly owns an Equity Interest (as that term is defined below) in Licensee or this License, may sell, assign, transfer, convey, exchange, pledge, mortgage, encumber, lease or give away (each of the foregoing shall describe a "Transfer"), any direct or indirect interest in this License or Equity Interest in Licensee, except as expressly provided in this License. Any purported Transfer, by operation of law or otherwise, of any interest, collaterally or otherwise, in this License or any Equity Interest in Licensee not in accordance with the provisions of this License, shall be null and void and shall constitute

a material breach of this License, for which IHG may terminate this License without opportunity to cure pursuant to paragraph 11. C of this License.

(1) The term "Equity Interest" means all forms of ownership, including, without limitation, membership, stock, partnership or any other form of equity interests in an Entity or property, both legal and beneficial, voting and non-voting, including stock interests, partnership interests, limited liability company interests, joint tenancy interests, leasehold interests, proprietorship interests, trust beneficiary interests, proxy interests, power-of-attorney interests, and all options, warrants, and any other forms of interest evidencing ownership or Control. References in this License to "publicly traded Equity Interests" shall mean any Equity Interests which are traded on any securities exchange or are quoted in any publication or electronic reporting service maintained by the National Association of Securities Dealers, Inc. or any of its successors.

(2) The term "Person" means an individual, corporation, partnership, joint venture, limited liability company, estate, trust, unincorporated association, any national, provincial, state, county, tribal or municipal government or any bureau, office, department or agency thereof and any fiduciary acting in an agency capacity on behalf of any of the foregoing.

(3) The term "Control" (and any form thereof, such as "controlling" or "controlled") means, with respect to any Person, the possession, directly or indirectly, of the power or ability to direct or cause the direction of the management or policies of such Person.

(4) If Licensee is an Entity, Licensee represents that the Equity Interests in Licensee are directly and (if applicable) indirectly owned, as shown in Attachment "A".

(5) In computing changes of Equity Interests pursuant to this paragraph 9, limited partners will not be distinguished from general partners, and IHG's judgment will be final if there is any question as to the definition of Equity Interests or as to the computation of relative Equity Interests, including transfers of Equity Interests, the principal considerations being:

(a) direct and indirect power to exercise control over the affairs of Licensee;
(b) direct and indirect right to share in Licensee's profits; and
(c) amounts directly or indirectly exposed at risk in Licensee's business.

C. <u>Non-Control Transfers</u>.

If Licensee is in compliance with this License then, Licensee and/or any of its owners, members, partners or stockholders may consummate any Transfer of a direct or indirect non-Controlling Equity Interest in Licensee, or effect a transaction that does not result in a direct or indirect change of Control in Licensee, without IHG's consent, if: (a) Licensee notifies IHG in writing at least twenty (20) days before the Transfer's effective date; (b) Licensee provides IHG with the identity of the proposed transferee and its owners, together with all other related information reasonably requested by IHG and the proposed transferee and its owners meet IHG's then-current ownership criteria (including not being a Prohibited Person or a competitor of IHG); (c) such Transfer does not, whether in one transaction or a series of related transactions, result in the transfer or creation of a Controlling Equity Interest in Licensee; (d) such Transfer does not, whether in one transaction or a series of related transactions, result in the Transfer of all of Guarantor's Equity Interests in Licensee; and (e) Licensee and its owners, members, partners or stockholders sign those agreements that IHG shall have the right to require in order to implement this paragraph. In addition, at IHG's request, Licensee and any such transferees shall execute (or re-execute) (x) a general release of any and all claims against IHG and its Affiliates, and their respective officers, directors, agents and employees and (y) an amendment to this License that updates the ownership information in Attachment "A".

D. <u>Transfers for Estate Planning; Upon Death or Mental Incapacity</u>.

Licensee may, for estate planning, Transfer an Equity Interest in Licensee to a member of Licensee's immediate family (i.e., a spouse, parent, sibling, son, daughter, niece or nephew), or to a trust for the benefit of such immediate family member, or to a Person in which Licensee owns and controls a majority of the Equity Interests and voting power; provided, however, that prior to such transfer the following requirements are met: (a) adequate provision acceptable to IHG is made for the management of the Hotel;

(b) the obligations of Licensee under this License are satisfied pending the Transfer; (c) the transferee executes IHG's then-current form of license agreement used to license Brand System Hotels for at least the unexpired portion of the License Term (as determined by IHG), except that the fees charged thereunder shall be the same as those contained in this License (including any adjustments to such fees as may have been implemented from time to time in accordance with the terms of this License); (d) Licensee executes a termination agreement of this License on IHG's then-current form (which shall contain a general release of any and all claims of Licensee (and any of Licensee's Affiliates) against IHG and its Affiliates, and their respective officers, directors, managers, members, shareholders, agents and employees); and (e) each Guarantor acknowledges the Transfer and reaffirms its obligations under the Guaranty and, if required by IHG, Licensee provides additional guarantees, on IHG's then-current form (which shall contain a general release of any and all claims against IHG and its Affiliates (including, IHG), and their respective officers, directors, agents and employees), the performance of the new licensee's obligations under the newly executed license agreement.

Upon the death or mental incompetency of Licensee or any natural person with a Controlling Equity Interest in Licensee, such interest may be transferred in accordance with and subject to the terms of paragraph 9.F., provided that: (i) any such Transfer will be made within six (6) months of the date of death or mental incompetency, (ii) the obligations of Licensee under this License are satisfied pending the Transfer, and (iii) the Hotel will be continuously operated by Licensee or a management company approved by IHG.

E. <u>Registration of a Proposed Transfer of Equity Interests</u>.

Any public offering, private placement or other sale of securities in or by Licensee or the Hotel ("Securities") requires IHG's consent. All materials for the offer or sale of those Securities disseminated to any prospective purchaser thereof, filed with any governmental or quasigovernmental entity or intended for distribution to any form of media must be submitted to IHG for its review at least sixty (60) days before the date Licensee disseminates or distributes those materials or files them with any governmental agency, including any materials to be used in any offering exempt from registration under any securities laws. Licensee must submit to IHG a non-refundable Twenty-Five Thousand Dollar ($25,000) processing fee with the offering materials and pay any additional costs IHG may incur in reviewing such materials, including reasonable attorneys' fees. Except as legally required to describe the Hotel in the offering materials, Licensee may not use any of the Marks or otherwise imply IHG's participation or that of its Affiliates, or any of their respective officers, directors, members, managers and employees in such offering or its/their endorsement of any Securities or any Securities offering. IHG will have the right to approve any description of this License or Licensee's relationship with IHG, or any use of the Marks, contained in any prospectus, offering memorandum or other communications or materials used by Licensee in the sale or offer of any Securities. IHG's review of these documents will not in any way be considered IHG's agreement with any statements contained in those documents, including any projections, or IHG's acknowledgment or agreement that the documents comply with any applicable laws.

Licensee may not offer and/or sell any Securities unless Licensee clearly discloses to all purchasers and offerees in any and all Securities offer and/or sale materials that: (i) neither IHG, nor any of its Affiliates, nor any of their respective officers, directors, managers, agents or employees, will in any way be deemed an issuer or underwriter of the Securities, as those terms are defined in applicable securities laws; (ii) neither IHG, its Affiliates nor any of their respective officers, directors, managers, agents and employees will have any liability or responsibility for any financial statements, projections or other financial information contained in any prospectus, offering and solicitation material or similar written or oral communication; plays (or will play) any role in the offer or sale of Licensee's securities; has any responsibility for the creation or contents of any offering and/or solicitation materials (including any prospectus); in no fashion controls (or will control) Licensee's day-to-day business operations or any element or instrumentality thereof; that any individual or entity purchasing Securities must understand that its sole recourse for any alleged or actual impropriety relating to the offer and sale of such Securities and/or Licensee's operation of its business will be against Licensee (and/or, as may be applicable, the seller of such Securities); and, that in no event may such purchaser seek to impose liability arising from or related to such activity, directly or indirectly, upon any of IHG, its Affiliates or any of their respective officers, directors, managers, agents or employees.

Licensee agrees that its obligations to indemnify and hold harmless IHG and the other indemnitees under paragraphs 8.A. and 13.K. of this License extends to and embraces liabilities arising from or relating

to, directly or indirectly, any and every element of Licensee's offer and/or sale of Securities which Licensee may propose to or does engage in, including (without limitation) any statements, representations or warranties that Licensee and/or its Affiliates may give to or receive from any proposed or actual purchaser of such Securities and/or any claim that Licensee, its Affiliates and/or the officers, directors, managers, members, agents and employees of each of the foregoing, or Licensee's assignee, engaged in fraud, deceit, violation of securities laws or other illegality in connection with Licensee's proposed or actual offer and/or sale of Securities. As with all other indemnification obligations set forth in this License, this specific indemnification obligation will survive the termination or expiration of this License.

F. Control Transfers.

Notwithstanding any other term or provision of this License to the contrary, neither this License nor any right or interest herein is assignable or transferable by Licensee.

If Licensee (i) receives an offer to purchase or lease the Hotel or any portion thereof, (ii) desires to sell or lease the Hotel or any portion thereof, or (iii) wishes to convey the Hotel, Hotel site, or any interest in the Hotel or Licensee, Licensee shall give prompt written notice thereof to IHG, stating the identity of the prospective transferee, purchaser or lessee and the terms and conditions of the conveyance, including a copy of any proposed agreement and all other information with respect thereto, that IHG may reasonably require.

Any (i) transfer of Equity Interests in an Entity (other than a transfer expressly permitted hereunder) or (ii) transfer of all or a material part of the Hotel or Hotel site (if the Hotel or Hotel site is owned directly or indirectly by Licensee or by a natural person or Entity that owns any Equity Interest in Licensee), to a new owner shall constitute a change of ownership requiring submittal of an application for a new license.

(1) IHG shall process such change of ownership application in accordance with IHG's then current procedures, criteria and requirements regarding fees, upgrading of the Hotel, financial capacity and guaranty requirements, curing of outstanding defaults, operational abilities and capabilities, prior business dealings, market feasibility and other factors deemed relevant by IHG. If such change of ownership application is approved by IHG, the new owner and IHG shall, upon termination of this License by IHG, enter into a new license agreement on IHG's then current form. The new license agreement shall contain IHG's then current terms (except for duration, which shall not be less than the remaining License Term but may be longer to reflect the new term agreed by IHG as part of the approval of the change in ownership of the Hotel), and if required by IHG, shall contain specified upgrading of the Hotel and other requirements.

(2) Licensee must satisfy all of its accrued monetary obligations to IHG and its Affiliates, including an amount equal to a reasonable estimate of the costs and fees not yet accumulated and/or invoiced, and will execute (on Licensee's behalf and on behalf of its Affiliates), in a form prescribed by IHG, a general release of any and all claims against IHG and its Affiliates, and their respective officers, directors, agents and employees.

(3) If a change of ownership application for the proposed new owner is either (a) not submitted or (b) not approved by IHG, and the conveyance of the Hotel, Hotel site, or any Equity Interest in the Hotel or Equity Interest in Licensee to the proposed new owner occurs, then such transfer shall be considered an unauthorized transfer (an "Unauthorized Transfer"). If an Unauthorized Transfer occurs, it shall constitute a material breach of this License and an abandonment by Licensee of the franchise, and IHG shall be entitled to exercise all of its remedies under this License and applicable law, including, without limitation, its right to terminate this License pursuant to paragraph 11.C hereof.

G. Transfer of Real Estate.

If (i) the real property used in the operation of the Hotel is owned directly or indirectly by Licensee or by a natural person or an Entity that owns any Equity Interest in Licensee and (ii) Licensee or that natural person or Entity proposes to transfer all or a substantial part of such property to a third party, such transfer shall constitute a transfer under the provisions of this License requiring an application for a new

license agreement, unless Licensee receives IHG's prior written consent for the transaction. Licensee may however, without IHG's consent, mortgage or otherwise grant a security interest in the real estate or other tangible assets of the Hotel (but specifically excluding this License or any right or interest herein) in connection with commercially reasonable financing for the Hotel with a third party bank or other commercial lending institution which is not a competitor of IHG or any of its Affiliates. The selling, offering for sale, or establishment or registration of any condominium, cooperative, flat, timeshare, fractional interest, or interval ownership or regime or any similar type of ownership or regime relating to all or any part of the Hotel is prohibited.

H. Management and Name of the Hotel.

Licensee must at all times retain and exercise direct management control over the Hotel's business. Licensee shall not enter into any lease, management agreement, or other similar arrangement for the operation of the Hotel or any part thereof (including, without limitation, retail, food and/or beverage service facilities) with any natural person or entity without the prior written consent of IHG in each instance. The approval by IHG of any such lease, management agreement or other similar arrangement for operation of the Hotel or any part thereof shall in no way relieve, reduce, mitigate or waive any of the responsibilities of Licensee under this License, it being understood that all such responsibilities shall at all times remain the obligation of Licensee. Licensee must provide IHG with all information requested by IHG from time to time regarding ownership, control and management of the Hotel and of Licensee.

Licensee must provide food and beverage service in the Hotel as required by the Standards. If Licensee, one of its Affiliates or a third party, operates a branded restaurant adjacent to or inside the Hotel to serve as the restaurant for the Hotel, in addition to all other requirements of this License, Licensee must ensure, regardless of any conflict between this License and the restaurant's brand standards or other obligations, that such Affiliate or third party: (i) will operate the restaurant, with respect to guest life and safety standards, in compliance with the restaurant's brands standards, if any, and with all life and safety standards required by law or, if higher, by this License; (ii) will keep the restaurant open for meals during the hours required by IHG, (iii) will provide to Hotel guests all programs required by IHG, (iv) will allow Hotel guests eating in the restaurant or receiving room service from the restaurant to charge restaurant bills to their Hotel guest folio, (v) will not use or advertise any of the restaurant names, brands or trademarks together with the Marks unless specifically approved by IHG in writing, (vi) will honor at the restaurant all credit cards specified in the Standards and (vii) will include the restaurant in all guest satisfaction surveys and quality inspections and will allow IHG's inspection of the restaurant in accordance with this License and the Standards.

IHG has the exclusive right to name the Hotel, including, without limitation, the right to own and develop any trade name which would specifically and exclusively be used at the Hotel (a "Trade Name"). Licensee shall not change the name of the Hotel or the Trade Name (which names shall be determined by IHG in its sole discretion) without the express written consent of IHG and shall effectuate any change in the naming of the Hotel as may be required by IHG. IHG shall conduct search and clearance and maintain the trademark registration for the Trade Name and Licensee shall pay for all brand agency fees, search and clearance fees and maintenance costs and fees in connection with selecting, trademarking and creating a logo and identity for the Trade Name (the "Trade Name IP Costs").

[Add for change of ownership licenses] Licensee must honor existing guest contracts for guest rooms and/or meetings. If Licensee fails to honor an existing guest room contract and or meeting contract, Licensee must "walk" or relocate all impacted guests to another hotel acceptable to the guests and Licensee must pay for the entire difference in cost between the Hotel and the replacement hotel for the entire stay of the guests and/or meeting, including tax and any additional transportation and communication costs resulting from Licensee's failure to honor the existing guest contract.

I. Employees of the Hotel.

Licensee must ensure suitable, qualified individuals are employed at the Hotel in such number as is sufficient to staff all positions at the Hotel in accordance with the Standards. None of Licensee's employees will be considered to be IHG's employees. Licensee acknowledges and agrees that Licensee, or its management company engaged to operate the Hotel, as may be applicable, is the sole employer of the employees working at the Hotel and that IHG does not directly or indirectly control employment policies, discipline, recruitment or termination and that Licensee is solely responsible for all employment decisions,

regardless of whether Licensee has received guidance with respect to such matters from IHG. Neither Licensee nor any of Licensee's employees whose compensation Licensee pays may in any way, directly or indirectly, expressly or by implication, be construed to be IHG's employee for any purpose, including but not limited to with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state or federal governmental agency. IHG will not have the power to hire or fire Licensee's employees. Licensee expressly agrees, and will never contend otherwise, that IHG's authority under this License to approve certain of Licensee's employees for qualification to perform certain functions for the Hotel does not directly or indirectly vest in IHG the power to hire, fire or control any such employee. Licensee further agrees that any such minimum requirements established by IHG are solely for the purpose of ensuring that the Hotel is at all times operated in accordance with the Standards and with the attributes of the Brand known to, and desired by, the consuming public and associated with the Marks. Moreover, Licensee agrees that any training provided by IHG for Licensee's employees is intended to impart to those employees, under Licensee's ultimate authority, the various procedures, protocols, systems and operations of the Hotel and in no fashion reflects any employment relationship between IHG and such employees. Finally, should it ever be asserted that IHG is the employer, joint employer or co-employer of any of Licensee's employees in any private or government investigation, action, proceeding, arbitration or other setting, Licensee irrevocably agrees to assist IHG in defending said allegation, including, if necessary, appearing at any venue requested by IHG to testify on IHG's behalf and, as may be necessary, submitting itself to depositions, other appearances and/or preparing affidavits dismissive of any allegation that IHG is the employer, joint employer or co-employer of any of Licensee's employees.

10. Condemnation And Casualty:

A. Condemnation.

Licensee shall, at the earliest possible time, give IHG full notice of any proposed taking of all or any part of the Hotel by eminent domain. In the event that the Hotel or a substantial part thereof is to be taken, such that continued operation of the Hotel in accordance with the Standards is no longer possible, IHG will give due and prompt consideration, without any obligation by either party, to changing the site of the Hotel to a nearby location selected by Licensee, and approved by IHG, as promptly as reasonably possible and in any event within four months of the taking; provided, that Licensee has promptly filed an application to change the Location of the Hotel. Such application would not require payment to IHG of any additional franchise application fee. If the condemnation of all or any material part of the Hotel building occurs in the last two years of the License Term, this License shall automatically terminate effective upon the date of the taking. If the new location and Licensee's application are approved by IHG, Licensee shall promptly execute an addendum to this License substituting the new location, and Licensee shall open a new hotel at the new location in accordance with IHG's specifications within two years of the closing of the Hotel if the new hotel is a new development or within one year of the closing of the Hotel if the new hotel is a conversion of an existing building and the new hotel will thenceforth be deemed to be the Hotel licensed under this License. If a condemnation takes place and a new hotel is not, for whatever reason, going to become the Hotel under this License (or if it is reasonably evident to IHG that such will be the case), this License will terminate forthwith upon notice thereof by IHG to Licensee and Licensee shall have no liability for the liquidated damages set forth in paragraph 11.E. of this License.

B. Casualty.

If the Hotel is damaged by fire or other casualty, Licensee will immediately notify IHG and expeditiously repair the damage; provided, however, if all or virtually all of the Hotel is destroyed by such fire or other casualty, either IHG or (unless caused by the intentional act of Licensee or its agent) Licensee may terminate this License by fifteen days prior notice to the other delivered within sixty days of the date of the fire or other casualty. If Licensee terminates this License in accordance with this provision, Licensee shall have no liability for the liquidated damages set forth in paragraph 11.E. of this License so long as neither Licensee nor any of its Affiliates, either directly or through another person or entity, develops, leases or operates the site as a hotel or other lodging or residential facility of any kind or sort for at least five years following the date of termination (or the originally scheduled termination date of this License, if earlier) other than pursuant to another license with IHG.

Unless this License is terminated properly pursuant to the foregoing provision, Licensee will close the Hotel if required by the extent of the damage or if otherwise required by IHG; will repair or rebuild the Hotel in accordance with IHG's Standards; will commence reconstruction within six months after the fire or other casualty; will expeditiously continue on an uninterrupted basis with such reconstruction; and will, if the Hotel was closed, reopen the Hotel for continuous business operations as soon as practicable (but in any event within twenty-four months after the fire or other casualty), giving IHG at least forty-five days advance notice of the date of reopening if the Hotel was closed. If the Hotel was closed, Licensee may not reopen the Hotel or promote or otherwise hold the Hotel out as a hotel in the Brand System unless and until IHG determines that the reconstruction is completed in accordance with IHG's then current Standards. If the Hotel is not required to be closed, all work to repair damage shall be conducted so as to minimize interference with the Hotel's operation and guests. If the damage is not repaired in accordance with this paragraph, this License will forthwith terminate upon notice thereof by IHG to Licensee and Licensee shall be responsible for full liquidated damages under paragraph 11.E. of this License. Notwithstanding anything else herein to the contrary, during the time the Hotel is closed, Licensee shall pay IHG a monthly royalty of 2% of Gross Rooms Revenue based on the average monthly Gross Rooms Revenue for the preceding twelve months prior to the date of the fire or other casualty or, if the Hotel has not been in the Brand System for twelve months, based on the average monthly Gross Rooms Revenue for the period during which the Hotel has been in operation in the Brand System. Said payment shall be in lieu of all other Brand System fees under paragraph 3.B. of this License.

C. <u>No Extensions of Term</u>.

Nothing in this paragraph 10 will or is intended to extend the License Term.

11. <u>Termination</u>:

A. <u>License Term</u>.

The License Term is stated in Item 2 of Attachment "A". This License is not renewable, and Licensee acknowledges and agrees that this License confers upon Licensee absolutely no rights of license renewal following the expiration of the License Term. The parties recognize the difficulty of ascertaining damages to IHG resulting from premature termination of this License, and have provided for liquidated damages which represent their best estimate as to the damages arising from the circumstances in which they are provided. Before or on the expiration or earlier termination of this License, IHG may give notice that the Hotel is leaving the Brand System and take any other action related to guests, travel agents, suppliers and all other persons affected by such expiration or termination.

B. <u>Termination by IHG on Advance Notice</u>.

(1) In accordance with notice from IHG to Licensee, this License will terminate (without any further notice unless required by law), provided that:

(a) the notice is mailed at least 30 days (or longer, if required by law) in advance of the termination date;

(b) the notice reasonably identifies one or more breaches of Licensee's obligations; and

(c) the breach(es) are not fully remedied within the time period specified in the notice.

(2) If Licensee shall have engaged in a violation of this License, for which a notice of termination was given and termination failed to take effect because the default was remedied during the then preceding 12 months, the period given to remedy defaults will, if and to the extent permitted by applicable law, thereafter be 10 days instead of 30 (provided, however, if there have been two or more violations of this License in the preceding twelve months for which notices of termination were given, upon the next violation, if and to the extent permitted by applicable law, this License may be terminated by IHG immediately upon notice).

(3) In any judicial proceeding in which the validity of termination is at issue, IHG will not be limited to the reasons set forth in any notice sent under this paragraph.

(4) If Licensee fails to cure its breach of its obligations timely and in the manner required by IHG, IHG may in its sole discretion suspend the Hotel from access to the Brand System. IHG may also in its sole discretion remove the Hotel's listing from any website services and divert reservations previously made for the Hotel to other Brand System Hotels or IHG Portfolio Brand Hotels. Licensee must pay all costs arising from suspension from the Brand System. IHG's election to suspend the Hotel from said access rather than terminate this License will not: (i) constitute a waiver of any breach by Licensee or of any rights IHG otherwise has to terminate this License; (ii) constitute actual or constructive termination of this License; (iii) constitute an abandonment by IHG of this License; or (iv) entitle Licensee to any compensation of any kind for any alleged losses Licensee might incur as a result of said suspension.

(5) IHG's notice of termination or suspension of services shall not relieve Licensee of its obligations under this License.

C. <u>Immediate Termination by IHG</u>.

This License may be terminated by IHG immediately (or at the earliest time permitted by applicable law) if:

(1) (a) Licensee or any Guarantor shall generally not pay its debts as they become due, or shall admit in writing its inability to pay its debts, or shall make a general assignment for the benefit of creditors;

(b) Licensee or any Guarantor shall commence any case, proceeding or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property;

(c) Licensee or any Guarantor shall take any corporate or other action to authorize any of the actions set forth above in paragraphs (a) or (b);

(d) any case, proceeding or other action against Licensee or any Guarantor shall be commenced seeking to have an order for relief entered against it as debtor, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property, and such case, proceeding or other action: (i) results in the entry of any order for relief against it which is not fully stayed within seven business days after the entry thereof or (ii) remains undismissed for a period of 45 days;

(e) an attachment remains on all or a substantial part of the Hotel or of Licensee's or any Guarantor's assets for 30 days; or

(f) Licensee or any Guarantor fails, within 60 days of the date of entry of a final judgment or tax lien against Licensee or a Guarantor of this License in any amount exceeding $50,000, to discharge, vacate or reverse the judgment or tax lien or to stay execution of it, or if appealed, to discharge the judgment within 30 days after a final decision in the appeal is rendered; or

(2) (a) Licensee voluntarily or involuntarily loses possession or the right to possession of all or a significant part of the Hotel, except as otherwise provided in paragraph 9;

(b) an Unauthorized Transfer, as that term is defined in paragraph 9.H.(6), occurs; or

(c) Licensee otherwise conducts itself in a manner than evidences an intent to abandon the franchise; or

(3) Licensee, or any entity or individual having a direct or indirect ownership interest in it, contests in any court or proceeding IHG's ownership of the Brand System or any part of it, or the validity of any of the Marks or other trademarks, service marks or other intellectual property associated with any of IHG's businesses; or

(4) A breach of paragraph 8 or paragraph 9 occurs; or

(5) Licensee fails to continue to identify the Hotel to the public as a Brand System hotel, engages in any action that violates IHG's proprietary rights under paragraph 6 or ceases to operate the Hotel as a Brand System hotel; or

(6) Any action is taken toward dissolving or liquidating Licensee or any Guarantor hereunder, if it is an Entity, except for any such actions resulting from the death of a partner; or

(7) Licensee (or any principal stockholder, owner, member or partner of Licensee as the case may be) is, or is discovered to have been, convicted of a felony (or any other offense if it is likely to adversely reflect upon or affect the Hotel, the Brand System or IHG in any way); or

(8) Licensee maintains false books and records of account or submits false reports or information to IHG; or

(9) Licensee knowingly fails to comply with the requirements of this License and/or the Standards on safety, security, or privacy for its guests at the Hotel or on the reputation of the management, employees or operation of the Hotel, and such failure may significantly adversely reflect upon or affect the Hotel, the Brand System, IHG, and/or its Affiliates in any way; or

(10) A breach of paragraph 13.N. occurs; or

(11) Licensee uses any of the Marks before being authorized to do so by IHG; or

(12) Licensee uses any of the Marks in any manner prohibited, or not expressly authorized or permitted by this License; or

(13) Licensee refuses to allow, or to cooperate with, IHG's inspection or audit of the Hotel following a reasonable attempt by IHG to schedule during normal business hours.

D. <u>De-Identification of Hotel Upon Termination</u>.

Upon expiration or other termination of this License, all rights granted under this License will immediately terminate and Licensee will take whatever action is necessary to assure that no use is made of any part of the Brand System at or in connection with the Hotel after the License Term ends. This will involve, among other things, returning to IHG the Standards and all other materials proprietary to IHG, ceasing the use of the Marks and any other of IHG's trademarks or service marks, physical changes of distinctive Brand System features of the Hotel, including, but not limited to, removal of the primary freestanding sign down to the structural steel, as well as removal of any brand-mandated artwork, signage, graphics, and paint schemes (whether on walls, ceilings or floors) and all other actions required to preclude any possibility of confusion on the part of the public and to ensure that the Hotel is no longer using all or any part of the Brand System or otherwise holding itself out to the public as a Brand System hotel. In addition, Licensee must cancel any fictitious, trade, or assumed name or equivalent registration that contains any Marks or any variations thereof, and Licensee must furnish IHG with evidence satisfactory to IHG of compliance with this obligation within thirty (30) days after termination or expiration of this License. Anything in this paragraph which is not done by Licensee within 30 days after expiration or termination of this License may be done at Licensee's expense by IHG or its agents who may enter upon the premises of the Hotel for that purpose.

E. <u>Payment of Liquidated Damages</u>.

The parties recognize the difficulty of ascertaining damages to IHG resulting from premature termination of this License, and have provided for liquidated damages, which liquidated damages represent the parties' best estimate as to the damages arising from the circumstances in which they are

provided and which are only damages for the premature termination of this License, and not as a penalty or as damages for breaching this License or in lieu of any other payment. If this License is terminated pursuant to paragraphs 11.B. or 11.C. above, Licensee will promptly pay IHG, as liquidated damages, a lump sum equal to the total amounts required under paragraphs 3.B.(3) through 3.B.(6) during the 60 calendar months of operation preceding the termination, or such shorter period as equals the unexpired License Term at the time of termination, or, if the Hotel has not been in operation in the Brand System for 60 months, the greater of:

(1) 60 times the monthly average of such amounts for the period during which the Hotel has been in operation in the Brand System, or

(2) 60 times such amounts as are due for the one month preceding such termination.

IHG and Licensee acknowledge and agree that it would be difficult to determine the injury caused to IHG by termination of this License. IHG and Licensee therefore intend and agree the above liquidated damages calculation to be a reasonable estimate of IHG's probable loss and not a penalty or in lieu of any other payment.

12. Relationship Of Parties:

A. No Agency Relationship.

Licensee is an independent contractor. Neither party is the legal representative nor agent of, or has the power to obligate (or has the right to direct or supervise the daily affairs of) the other for any purpose whatsoever. IHG and Licensee expressly acknowledge that the relationship intended by them is a business relationship based entirely on and circumscribed by the express provisions of this License and that no partnership, joint venture, agency, fiduciary or employment relationship is intended or created by reason of this License. Licensee acknowledges and agrees, and will never contend otherwise, that Licensee alone will exercise day-to-day control over all operations, activities and elements of Licensee and the Hotel and that under no circumstance shall IHG do so or be deemed to do so. Licensee further acknowledges and agrees, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the Brand System which Licensee is required to comply with under this License, whether set forth in the Standards or otherwise, do not directly or indirectly constitute, suggest, infer or imply that IHG controls any aspect or element of the day-to-day operations of Licensee or the Hotel, which Licensee alone controls, but only constitute standards Licensee must adhere to when exercising its control of the day-to-day operations of Licensee and the Hotel.

B. Licensee's Notices to Public Concerning Independent Status.

Licensee will take such steps as are necessary and such steps as IHG may from time to time reasonably request to minimize the chance of a claim being made against IHG for anything that occurs at the Hotel or for acts, omissions or obligations of Licensee or anyone associated or affiliated with Licensee or the Hotel. Such steps may, for example, include giving notice in guest rooms, public rooms and advertisements and on business forms and stationery, etc., making clear to the public that IHG is not the owner or operator of the Hotel and is not accountable for what happens at the Hotel. Unless required by law, Licensee will not use IHG's name, the Marks or any other trademarks, service marks or other intellectual property owned or licensed by IHG or any of its Affiliates or any similar words in its corporate, partnership, entity or trade name, nor authorize or permit such use by anyone else. Licensee will not use IHG's name, the Marks or any other trademarks, service marks or other intellectual property owned or licensed by IHG or any of its Affiliates to incur any obligation or indebtedness on behalf of IHG.

Licensee shall not register IHG's name, the Marks or any other trademarks, service marks or other intellectual property owned or licensed by IHG or any of its Affiliates as part of any internet domain name or Uniform Resource Locator (URL), and may not display or use any of the Marks or other intellectual property rights related to the Brand System in connection with any web site. Licensee shall not promote, maintain, implement or be responsible for any web site in connection with the licensed Hotel without the prior written approval of IHG, and if approved by IHG, any such web site shall comply with all of IHG's web site requirements as set forth in the Standards or otherwise.

13. Miscellaneous:

A. Non-Exclusive Remedies; Severability and Interpretation.

The remedies provided in this License are not exclusive. In the event that all or any part of a term or provision of this License is held to be unenforceable, void or voidable as being contrary to the law or public policy of the United States or any other jurisdiction entitled to exercise authority hereunder, the affected term or provision of this License will be curtailed and limited only to the extent necessary to bring it within the requirement of Applicable Law; the court may declare a reasonable modification of this License (but not any of its payment provisions) and the parties agree to be bound by and perform this License as so modified; and all remaining terms and provisions shall nevertheless continue in full force and effect, unless deletion of the subject term(s) or provision(s) is deemed unenforceable, void or voidable, impairs the consideration for this License in a manner which frustrates the purpose of the parties or makes performance commercially impracticable. In the event any term or provision of this License requires interpretation, such interpretation shall be based on the reasonable intention of the parties in the context of this transaction without interpreting any term or provision in favor of, or against, any party hereto by reason of the draftsmanship of the party or its position relative to the other party. Any action or proceeding to resolve a dispute shall be conducted on an individual basis, and not as part of a consolidated, common, representative, group, joint or class action.

B. 1. Binding Effect, Consent to Jurisdiction and Forum Selection, Choice of Law.

This License shall become valid when executed and accepted by IHG in Atlanta, Georgia. It shall be deemed made and entered into in the State of Georgia. This License, all relations between the parties and, any and all disputes between the parties (and any of their respective Affiliates, and/or owners, members, officers, directors or managers of each of the foregoing), whether based on contract, tort, statute or any other basis, shall be governed and construed under, and in accordance with, the laws and decisions (except any conflicts of law provisions) of the State of Georgia. In entering into this License, Licensee acknowledges that it has sought, voluntarily accepted and become associated with IHG, which is headquartered in Atlanta, Georgia. Licensee hereby expressly and irrevocably submits itself to the non-exclusive jurisdiction of the U.S. District Court for the Northern District of Georgia, Atlanta Division and the State and Superior Courts of DeKalb County, Georgia for the purpose of any and all disputes. Should Licensee initiate litigation against IHG or one of its Affiliates (a "Licensee Action"), Licensee must bring such Licensee Action in the U.S. District Court for the Northern District of Georgia, Atlanta Division or the State and Superior Courts of DeKalb County, Georgia, which shall be the sole and exclusive forums for any Licensee Action whether based on contract, tort, statute or any other basis; provided, however, the foregoing will not constitute a waiver of any of Licensee's rights under any applicable franchise law of the state in which the Hotel is located. Notwithstanding the foregoing, IHG shall be entitled to seek injunctive relief in the federal or state courts either of Georgia or of the state of the Hotel's Location or of IHG's principal place of business.

2. No Jury Trials.

TO THE EXTENT EITHER IHG OR LICENSEE INITIATES LITIGATION RELATING TO THIS LICENSE OR ANY MATTER RELATING TO THEIR RELATIONSHIP, IHG AND LICENSEE IRREVOCABLY AND UNCONDITIONALLY WAIVE THEIR RIGHTS TO A TRIAL BY JURY. THIS WAIVER WILL APPLY TO ALL CAUSES OF ACTION THAT ARE OR MIGHT BE INCLUDED IN SUCH ACTION, INCLUDING CLAIMS RELATED TO THE ENFORCEMENT OR INTERPRETATION OF THIS LICENSE, ALLEGATIONS OF STATE OR FEDERAL STATUTORY VIOLATIONS, FRAUD, MISREPRESENTATION, OR SIMILAR CAUSES OF ACTION, AND IN CONNECTION WITH ANY LEGAL ACTION INITIATED FOR THE RECOVERY OF DAMAGES BY EITHER PARTY.

3. No Punitive Damages.

IHG AND LICENSEE HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES IN

ANY LITIGATION, ACTION, CLAIM, SUIT, ARBITRATION, MEDIATION OR PROCEEDING, AT LAW OR EQUITY, ARISING OUT OF, PERTAINING TO OR IN ANY WAY ASSOCIATED WITH THIS LICENSE (INCLUDING, WITHOUT LIMITATION,THE MASTER TECHNOLOGY SCHEDULE), OR ANY OTHER DOCUMENTS ENTERED INTO IN CONNECTION WITH THIS LICENSE, AND THE PARTIES COVENANT NEVER TO ADVANCE OR PURSUE ANY SUCH CLAIM FOR PUNITIVE DAMAGES AND AGREE THAT, IN THE EVENT OF A DISPUTE, ONLY ACTUAL DAMAGES SHALL BE SOUGHT AS RELIEF TO THE EXCLUSION OF ALL OTHERS.

4. IHG's Right to Injunctive Relief.

Licensee explicitly affirms and recognizes the unique value and secondary meaning attached to the Brand System and the Marks. Accordingly, Licensee agrees that any noncompliance by it with the terms of this License, or any unauthorized or improper use of the Brand System or the Marks by Licensee, will cause irreparable damage to IHG. Licensee therefore agrees that if Licensee engages in this non-compliance, or unauthorized and/or improper use of the Brand System or Marks, during or after the period of this License, IHG will be entitled to both temporary and permanent injunctive relief against Licensee from any court of competent jurisdiction, in addition to all other remedies which IHG may have at law. Licensee consents to the entry of these temporary and permanent injunctions, without IHG being required to prove the inadequacy of money damages as a remedy, without being required to post a bond and without waiving any other rights or remedies at law or in equity.

5. Licensee's Procurement of Consents.

Licensee represents and warrants that it has secured from each of its Affiliates and the owners, members, partners, officers, directors or managers of Licensee and its Affiliates who do not execute this License, his/her/its express consent and irrevocable confirmation of the provisions under this License, including, without limitation, this paragraph 13.B.

C. Exclusive Benefit.

This License is exclusively for the benefit of the parties hereto, and it may not give rise to liability to a third party. No agreement between IHG and anyone else is for the benefit of Licensee.

D. Entire Agreement.

All schedules, attachments, exhibits or addenda hereto are incorporated herein by this reference. Any reference to this License includes any schedules, attachments, exhibits, or addenda thereto, and any amendments thereof. This License and all schedules, attachments, exhibits or addenda to this License constitute the entire agreement between the parties related to the Hotel and supersede all previous negotiations between the parties pertaining to the licensing of the Hotel as a Brand System hotel. Nothing in this License or in any related agreement is intended, however, to disclaim any representations IHG made in the franchise disclosure document that IHG provided to Licensee. No change in this License will be valid unless in writing signed by both parties. No failure to require strict performance or to exercise any right or remedy hereunder will constitute a waiver of any rights hereunder or preclude requiring strict performance or exercising any right or remedy in the future.

E. IHG Withholding Consent.

(1) In no event may Licensee make any claim for money damages based on any claim or assertion that IHG has unreasonably withheld, delayed and/or denied any consent or approval under this License. Licensee waives any such claim for damages. Licensee may not claim any such damages by way of setoff, counterclaim or defense. Licensee's sole remedy for such a claim will be an action or proceeding to enforce the subject License provision(s) for specific performance or for declaratory judgment.

(2) IHG's consent, whenever required, may be withheld if any breach by Licensee exists under this License, without regard for any other basis for withholding such consent. Approvals and consents by IHG will not be effective unless evidenced by a writing duly executed on behalf of IHG.

F. Guarantor(s).

IHG shall require certain individuals or other entities (the "Guarantors") to guarantee all of Licensee's duties, requirements and obligations under this License, both financial and nonfinancial, by executing a guarantee substantially in the form attached hereto (the "Guaranty"). In the event of the death or bankruptcy of any Guarantor, IHG may require replacement guarantees sufficient in IHG's reasonable discretion to provide IHG with the same protection as IHG had originally bargained for. If Licensee is in breach or default under this License, IHG may proceed directly against each such individual and/or business entity Guarantor without first proceeding against Licensee and without proceeding against or naming in the action or proceeding any other such Guarantor. Licensee's obligations and those of each such Guarantor will be joint and several. Notice to or demand upon one such Guarantor will be considered notice to or demand upon Licensee and all such Guarantors. No notice or demand need be made to or upon all such Guarantors. The cessation of or release from liability of Licensee or any such Guarantor will not relieve Licensee or any other Guarantor, as applicable, from liability under this License, except to the extent that the breach or default has been remedied or money owed has been paid.

G. Notices.

Notices will be effective hereunder when and only when they are in writing and delivered personally or mailed by Federal Express or comparable overnight or express delivery service or by certified mail to the appropriate party at its address (in the case of IHG, to the address stated in Item 7 of Attachment "A"; and in the case of Licensee, to the address stated in Item 8 of Attachment "A") or to such person and at such address as may subsequently be designated by Licensee or IHG to the other. IHG may provide Licensee with electronic delivery of routine information, invoices, Brand Standards and other Brand System requirements and programs. IHG and Licensee will cooperate with each other to adapt to new technologies that may be available for the transmission of such information.

H. Authority.

Licensee represents and warrants to IHG that the entities and persons signing this License on behalf of Licensee are duly authorized to do so and to bind Licensee to enter into and perform this License. Licensee further represents and warrants to IHG that Licensee and the entities and persons signing this License on behalf of Licensee have obtained all necessary approvals and that their execution, delivery and performance of this License will not violate, create a default under or breach any charter, bylaws, agreement or other contract, license, permit, order or decree to which they are a party or to which they are subject or to which the Hotel is subject. If Licensee has not already done so prior to the execution of this License, Licensee agrees to submit to IHG by the date specified by IHG all of the documents and information that IHG required or requested in the license application and in connection with the licensing process. Licensee acknowledges that its breach of the representations and warranties in this paragraph; its failure to comply with IHG's requirements for the submission of information and documents; or any omission or misrepresentation of any material fact in the information or documents submitted to IHG in connection with the license application and/or the licensing process will constitute a material breach of Licensee's obligations under this License.

I. General Release and Covenant Not to Sue.

Licensee and its respective heirs, representatives, successors and assigns, hereby release, remise and forever discharge IHG and its Affiliates and each of their directors, employees, agents, successors and assigns from any and all claims, whether known or unknown, of any kind or nature, absolute or contingent, if any there be, at law or in equity, from the beginning of time to, and including, the date of IHG's execution of this License, and Licensee and its respective heirs, representatives, successors and assigns do hereby covenant and agree that they will not institute any suit or action at law or otherwise against IHG, directly or indirectly relating to any claim released hereby by Licensee; provided, however, that nothing contained in this release is intended to disclaim or require Licensee to waive reliance on any representation that IHG made in the Franchise Disclosure Document that it provided to Licensee. This release and covenant not to sue shall survive the termination of this License. Licensee shall take whatever steps are necessary or appropriate to carry out the terms of this release and covenant not to sue upon IHG's request.

J. Performance of the Work; Termination Prior to Authorization to Use Brand System.

Licensee agrees to perform the construction, upgrading and renovation work, including, without limitation, the purchase of furniture, fixtures and equipment set forth on Attachment "B" attached hereto and incorporated herein by reference (the "Work"). Licensee acknowledges that its agreement to perform the Work is an essential element of the consideration relied upon by IHG in entering into this License and agrees that Licensee may be authorized, in IHG's sole judgment, to use the Brand System at the Hotel prior to completion of the Work, but only during such time as Licensee is actively meeting its performance obligations in full compliance with the requirements of Attachment "B" of this License. Licensee shall not commence its operation of the Brand System, or any part thereof, at the Hotel unless and until it receives IHG's written authorization to do so. Licensee's failure to perform the Work in accordance with IHG's requirements and specifications (including the progress, milestone, completion and other dates specified in Attachments "A" and "B" of this License) shall constitute a material breach of Licensee's obligations under this License.

In order to complete the Work and as needed for any periodic renovations throughout the Term, Licensee will retain a qualified architect and interior designers and, based on the nature of the project, IHG may require that Licensee retain other specialty consultants. Licensee must obtain IHG's prior written consent before retaining or engaging any architect, interior designer for the Hotel, interior designer for any food and beverage outlet at the Hotel, and the project manager or general contractor, which consent shall not be unreasonably withheld. Such consultants shall be qualified to provide the services required for the Hotel project and maintain appropriate insurance coverages. IHG is not liable for the unsatisfactory performance of any such consultants or other persons retained by Licensee.

In the event IHG terminates this License due to Licensee's breach of any of its obligations under the License prior to the time that Licensee is authorized to use the Brand System at the Hotel, Licensee shall pay to IHG, as liquidated damages, a lump sum equal to the monthly average of all amounts that would have been payable to IHG under paragraphs 3.B.(3) through 3.B.(6) of this License assuming the Hotel had collected Gross Rooms Revenue based on the average daily revenue per available room for all "mature hotels" in the Brand System in the United States for the previous twelve (12) months, as determined by IHG, multiplied by the greater of (a) six (6) or (b) the number of full and partial months from the Effective Date to the termination date of this License. For purposes of this paragraph, "mature hotels" means hotels which were open for two full years or longer; were franchised or, alternatively, owned and/or managed by IHG or one of its Affiliates; and, were not in default of their applicable franchise or management agreement obligations as of the applicable date.

IHG and Licensee acknowledge and agree that it would be difficult to determine the injury caused to IHG by termination of this License. IHG and Licensee therefore intend and agree the above liquidated damages calculations to be a reasonable pre-estimate of IHG's probable loss and not as a penalty or in lieu of any other payment.

K. Reimbursement of Expenses.

Licensee agrees to pay IHG all expenses, including reasonable attorneys' fees and court costs, incurred by IHG, its Affiliates, and their successors and assigns to remedy any defaults of or enforce or defend itself or any rights under this License (including without limitation any claim, cross-claim or counter-claim brought by Licensee), effect termination of this License or collect any amounts due under this License.

L. Business Judgment.

IHG and Licensee recognize and agree, and any mediator or judge is affirmatively advised, that certain provisions of this License describe the right of IHG to take (or refrain from taking) certain actions in the exercise of its business judgment as to the long-term overall interests of the Brand System, and/or upon its determination that the change was adopted in good faith and is consistent with the long-term overall interests of the Brand System. Where such judgment has been exercised by IHG, neither a mediator, nor a judge, nor any trier of fact, shall substitute his, her or their judgment for the judgment so exercised by IHG.

M. Descriptive Headings.

The descriptive headings in this License are for convenience only and shall not control or affect the meaning or construction of any provision in this License. The parties agree that when the terms "include" or "includes" are used in this License, those terms shall be understood to mean "including, but not limited to" in each instance.

N. Anti-Terrorism, Anti-Bribery and Trade Sanctions Compliance.

(1) Licensee represents, warrants and covenants that neither it nor any Entity or individual having a direct or indirect ownership interest in it, nor any Guarantor, nor any of Licensee's Affiliates nor any officer, director, employee, member, partner or shareholder of any of the foregoing, has been or is now:

(a) directly or indirectly owned or controlled by the government of any nation subject to trade sanctions or embargoes imposed by any of the Sanctioning Bodies (as defined below in sub-paragraph (4));
(b) acting on behalf of any government of any nation subject to the trade sanctions or embargoes imposed by any of the Sanctioning Bodies;
(c) identified by any of the Sanctioning Bodies as a Prohibited Person; and
(d) in violation of any applicable law relating to anti-money laundering, anti-terrorism, anti-bribery, trade sanctions or embargoes, narcotics, illegal immigration or human tracking, including without limitation, the UK Bribery Act 2010, the US Foreign Corrupt Practices Act, the US Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (US Patriot Act) and related regulations and executive orders related to the foregoing laws (the "Relevant Laws").

(2) Licensee further warrants and represents and covenants that:

(a) Licensee, any Guarantor and any Person having a direct or indirect ownership in Licensee will comply with the Relevant Laws; and
(b) all individuals authorized to represent Licensee in carrying out its obligations under this License are eligible under applicable United States immigration laws to travel to the United States for training or any other purpose in carrying out Licensee's obligations under this License.

(3) For the purposes of this paragraph 13.N., "Person" means any individual, corporation, partnership, joint venture, limited liability company, estate, trust, unincorporated association, any national, provincial, state, county or municipal government or any bureau, office, department or agency thereof and any fiduciary acting in an agency capacity on behalf of any of the foregoing. "Prohibited Person" means any person identified by Her Majesty's Treasury of the United Kingdom ("UK"), by the Office of Foreign Assets Control of the Department of the Treasury of the United States ("US") as a "specially designated national" or otherwise subject to sanction by the European Union ("EU") and/or the United Nations ("UN"), (collectively, "Sanctioning Bodies"), or any other Person with whom IHG, or any of its Affiliates, is otherwise prohibited from transacting business.

O. Capital Reserve; Capital Reinvestment and Renovation Cycles.

(1) IHG may require Licensee to establish a capital reserve ("Capital Reserve") in an amount not in excess of 5% of Gross Revenue annually to be used for capital expenditures and the upgrading of the Hotel, including the renovation of public areas, guest rooms, guest room corridors, and the replacement of FF&E. IHG shall give Licensee no less than ninety (90) days' notice of imposing such requirement to establish a Capital Reserve, as the same may be established or changed by IHG from time to time. In such event, Licensee must establish a Capital Reserve account funded monthly in a bank selected by Licensee. Licensee shall make expenditures from such account for the purposes hereinbefore specified in accordance with IHG's requirements. Licensee acknowledges that the Capital Reserve may not be sufficient to maintain the Hotel as a first-class facility in accordance with the Standards, and Licensee shall promptly provide any necessary additional funds to meet IHG's product quality and consumer quality requirements; as well as Licensee's renovation obligations specified herein.

(2) Throughout the License Term, regardless of whether IHG has required Licensee to establish a Capital Reserve, Licensee must complete significant renovations of the Hotel, including, but not limited to, the public areas, guest rooms, and guest room corridors in order to maintain the Hotel as a first-class facility. These mandatory renovations include: (a) replacing Soft Goods at least every seven (7) years after such Soft Goods were installed and (b) replacing Case Goods at least every fourteen (14) years after such Case Goods were installed; and, if necessary replacing such Soft Goods and Case Goods more frequently in order to (i) maintain compliance with the Standards or IHG's quality and guest satisfaction programs; (ii) remove risk of injury to persons or property; or (iii) ensure compliance with all applicable laws.

(3) Licensee must fund all ordinary and extraordinary maintenance and repair, capital improvements and renovations of the Hotel.

(4) For purposes of this paragraph 13.O. the following definitions apply:

(a) "Gross Revenue" means all revenues and income of any nature derived directly or indirectly from the Hotel or from the use or operation thereof, including without limitation room sales; food and beverage sales; telephone, fax and internet revenues; rental or other payments from lessees, subleases, concessionaires and others occupying or using space or rendering services at the Hotel (but not the gross receipts of such lessees, subleases or concessionaires); and the actual cash proceeds of business interruption, use, occupancy or similar insurance.

(b) "Soft Goods" means textile, fabric, vinyl and similar products used in finishing and decorating the Hotel, including its public areas, guest rooms, and guest room corridors, such as wall and floor coverings, window treatments, cornice or valance coverings, carpeting, bedspreads, lamps, lamp shades, artwork, decorative items, pictures, wall decorations, upholstery and all other unspecified items of the same class.

(c) "Case Goods" means furniture and fixtures used in the Hotel, including its public areas, guest rooms, and guest room corridors, such as cabinets, shelves, chests, armoires, chairs, beds, headboards, desks, tables, mirrors, lighting fixtures and all other unspecified items of the same class.

(d) "FF&E" means Case Goods, Soft Goods, signage, including exterior signage, and equipment (including telephone systems, printers, televisions, vending machines and computer hardware) as well as other improvements and personal property used in the operation of the Hotel except for those items which are generally classified as "operating supplies" or "operating equipment".

(5) Licensee shall inform IHG of the dates of installation of Soft Goods and Case Goods in the Hotel, which dates IHG shall be entitled to verify.

(6) Licensee must submit its renovation plans for the Hotel to IHG for IHG's review and approval prior to starting any renovations. Licensee shall not start any renovations until IHG has approved the scope of the plans and the plans' compliance with the Standards.

(7) IHG shall have the right to require Licensee to make renovations to the Hotel to conform the Hotel's FF&E to the then-current Standards and brand design criteria.

P. <u>Counterparts</u>.

This License 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. IHG and Licensee hereby acknowledge and agree that electronic signatures, facsimile signatures or signatures transmitted by electronic mail in "pdf" format shall be legal and binding and shall have the same full force and effect as delivery of an original signed counterpart.

Q. Right of First Refusal.

Notwithstanding anything else to the contrary in this License, if Licensee receives an offer for, and wishes to sell the Hotel (including all or a portion of the Hotel, or the right, in any form other than a bona fide debt instrument, to receive income from the Hotel), Licensee shall give IHG written notice along with a complete copy of the offer ("ROFR Notice") within ten (10) days of its receipt and shall offer to sell the Hotel to IHG on the same terms and conditions as the offer; provided however, that if any portion of the consideration contemplated by the offer is in a form other than cash, Licensee shall agree to accept a cash payment of equivalent value, based on the market value of the non-cash consideration in Licensee's hands, in lieu of any non-cash consideration. IHG shall notify Licensee, within 30 days of its actual receipt of such notice, if it intends to accept Licensee's offer. Any acceptance of the offer by IHG shall be subject to compliance with any applicable laws and regulations which are a pre-condition to consummation of the transaction. IHG's acceptance may provide for preparation of a definitive agreement consistent with the offer and acceptance; however, such definitive agreement shall not be a condition precedent to an effective agreement between IHG and Licensee. If IHG has not given notice to Licensee that it intends to accept the offer, Licensee may proceed to sell the Hotel on the same terms and conditions contained in the offer notified to IHG without regard to this Right of First Refusal, but only if such sale is consummated within 150 days from the date of Licensee's notice to IHG. If such sale is not consummated within such 150-day period or if the terms of such sale differ materially from the terms and conditions presented in the ROFR Notice, then Licensee shall be required to deliver another ROFR Notice and again follow the process set forth above. In the event that IHG waives this Right of First Refusal in accordance with the terms set forth herein, then the sale of the Hotel to a purchaser other than IHG shall be subject to paragraph 9.H.

R. Management Company Requirement.

Notwithstanding Paragraph 9.J. of this License, the Hotel shall at all times be operated by a management company acceptable to IHG. IHG shall have the right to approve any proposed management company and to approve any contract with respect to the operation of the Hotel, and such management company's policies and procedures must comply with the Standards and the requirements of this License. The management of the Hotel by an acceptable management company must be continuous and uninterrupted during the term of the License. Licensee shall be in default under this paragraph if any of the preceding conditions are not met. Notwithstanding that the management company must be acceptable to IHG, Licensee acknowledges and agrees that it is solely responsible for the selection, conduct and performance of the management of the Hotel and IHG has no responsibility or obligation in connection with such selection, conduct or performance. The management contract between Licensee and the management company must be acceptable to IHG and executed at least 180 days prior to the opening of the Hotel in the Brand System. If any approved management company stops operating the Hotel for the Licensee for any reason, Licensee must notify IHG immediately.

If there is a change in control of the management company or if the management company becomes a competitor of IHG (or an Affiliate of a competitor) or a Prohibited Person (or an Affiliate of a Prohibited Person), or if the 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, Licensee will promptly notify IHG of any such event together with such additional information that IHG may reasonably request. Based on these changed circumstances, IHG may require Licensee to terminate its agreement with such management company and retain a replacement management company that will be subject to IHG's consent. After IHG receives such notice and any such additional information IHG reasonably requests, IHG will respond to Licensee within thirty (30) days. Furthermore, if Licensee's management company becomes unsuitable or unqualified to operate the Hotel as determined by IHG, in our sole discretion, or if the Hotel is not operated in compliance with IHG's guest satisfaction program, Licensee may be required to retain a new Management Company that is acceptable to us within ninety (90) days.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this License, as of the date first stated above.

LICENSEE:

«EntityAllCaps»

By:_____
Name: «AuthorizedSignee»
Title: «Signee'sTitle»

IHG:

HOLIDAY HOSPITALITY FRANCHISING, LLC

By: Six Continents Hotels, Inc.,
its sole managing member

By: _____
Name: Jenny Tidwell
Title: Vice President, Franchise Licensing and Compliance

Electronic Signature Acknowledgement:

This License may, at IHG's option, be executed via electronic signature. In such event, Licensee acknowledges that conducting this transaction using electronic means is optional and is not a condition to executing this License. By electronically signing this paragraph, Licensee agrees to conduct this transaction using electronic means, which includes the transmittal of electronic communications and the execution of the agreement using an electronic signature. Licensee further agrees that the parties' electronic signatures are valid and create a binding and enforceable agreement. If Licensee does not agree to conduct the transaction electronically and does not agree to execute the agreement using an electronic signature, Licensee must promptly notify IHG and IHG will provide Licensee with a non-electronic License.

Licensee Signature (or Initials): _____

Attachment "A"

1. Location:	[insert address for approved location for the site of the Hotel]
Fee Owner:	[Insert Fee Owner name and address]
Leases (parties, terms, etc.) if any:	[For Hotel Lease, add: (i) Fee Owner is the sole Location Owner of the Hotel, (ii) the Hotel is leased to Licensee under a lease between Licensee and Fee Owner; (iii) Licensee has all rights and authority relating to the Hotel for the performance of Licensee's obligations under this License. If the lease provides for Fee Owner to perform any of Licensee's obligations under this License, Licensee will cause Fee Owner to perform such obligations as required under this License. The existence of the lease and its terms that require Fee Owner to perform Licensee's obligations are not an assignment of such obligations to Fee Owner and do not relieve Licensee of any obligation under this License. The lease will not limit or restrict IHG's rights or remedies under this License in any way.] [If the Hotel or Location is not subject to a lease or ground lease add: 'Not applicable'.]
Separate parcels for signs:	
Number of Guest Rooms (including Suites)	
Hotel Facilities and Services:	Restaurants and lounges (number, seating capacity, names and description): Gift shop: Other concessions and shops: Parking facilities (number of spaces, description): Swimming pool: Other facilities and services:
2. License Term:	The License Term begins on the Effective Date and will expire without notice [____ years from the date of opening of the entire Hotel in the Brand System **for a new development** (the "Opening Date")], [___ years from the date of opening of the entire Hotel in the Brand System **for a conversion** (the "Opening Date")], [on the ____ anniversary of the Effective Date f**or a change of ownership or a re-licensing**] subject to earlier termination as set forth in paragraph 11 of the License.
3. Application Fee:	

4. Royalty Fee:	**5% of Gross Rooms Revenue** "Gross Rooms Revenue" or "GRR" means the gross revenue and receipts of every kind attributable to or payable for rental of guest rooms/suites at the Hotel including, but not limited to, no-show revenue, early departure or late check-out fees, attrition or cancellation fees, any mandatory fee or surcharge charged to all or substantially all guests renting a room (including, but not limited to, resort fees, although inclusion of such fees or surcharges does not constitute approval by IHG of such fees and surcharges, which may be limited or prohibited); any awards, judgments or settlements representing payment for loss of room sales; and any other revenues allocable to rooms revenue under the Uniform System of Accounting for the Lodging Industry, Eleventh Revised Edition, 2014, as published by the American Hotel & Lodging Association Educational Institute, or any later edition, revision, or replacement that may be designated by IHG (the "Uniform System"). No deductions shall be allowed for charge backs, credit card service charges, commissions, uncollectible amounts or similar items. Charges for any item, including, but not limited to, telephone charges, entertainment, the cost of any food and beverage items, room service or other items provided or made available to a guest as an incident of a guest room/suite rental shall not be considered a deduction from Gross Rooms/Suites Revenue. Gross Rooms/Suites Revenue excludes sales tax, value added tax, or similar taxes on such revenues and receipts.
5. IHG System Fund Contributions: Services Contribution:	3.5% of Gross Rooms/Suites Revenue
Initial Loyalty Program Marketing Contribution: Loyalty Program Contribution:	A one-time Initial Loyalty Program Marketing Contribution of $10.00 per room payable at the same time as the first royalty payment. 4.55% of qualifying IHG One Rewards full folio revenue and 1.365% of qualifying IHG Business Rewards meeting and/or room revenue.
6. Technology Services Fee:	$17.40 for each guest room at the Hotel
7. IHG Notice Address:	Holiday Hospitality Franchising, LLC Three Ravinia Drive, Suite 100 Atlanta, Georgia 30346 Attn: Vice President, Franchise Licensing and Compliance
8. Licensee Notice Address:	[Insert Licensee Notice Address]

9. Construction Milestone Dates:	Preliminary Plans Due Date: ***[Insert DATE which should be at least two hundred and seventy (270) days before Ground Break]*** Final Plans Due Date: ***[Insert DATE which should be at least one hundred and eighty (180) days before Ground Break]*** Ground Break Due Date: Opening Deadline:

Ownership of Licensee

[Insert Licensee Ownership Chart]

[FOR NEW DEVELOPMENT HOTELS ONLY]

ATTACHMENT "B"

THE WORK

A. BEFORE CONSTRUCTION BEGINS.

Before starting construction of the Hotel (including any restaurants, bars or other components thereof), Licensee must (at Licensee's sole expense):

1. Submit to IHG evidence of insurance as required under this License.

2. Submit to IHG evidence that Licensee is entitled to possession of the premises on which the Hotel will be located, which documents shall be subject to IHG's approval.

3. Obtain any and all approvals, permits or licenses required for construction to begin. Submit a copy of the general building permit to IHG when acquired.

4. Submit to IHG the proposed construction schedule. The schedule should include critical path milestones and trade subdivisions in standard industry format.

5. Submit "Preliminary Plans" to IHG, for IHG's review and approval, before starting construction and in no event later than the Preliminary Plans Due Date set forth in Attachment "A" or such other date as IHG may agree with Licensee in writing. "Preliminary Plans" means site plans, building floor plans (all floor levels), enlarged guest room plans for all room types and exterior elevations with a color rendering as prepared by a qualified, licensed architect with knowledge of commercial building design and construction, including spatial relationships, and general quality of building systems, elements, products and materials, as is necessary to describe adequately the design of the Hotel.

6. Submit "Final Plans" to IHG, for IHG's review and approval, before final submittal to Licensee's local building authority and in no event later than the Final Plans Due Date or such other date as IHG may agree with Licensee in writing. "Final Plans" is also referred to as 100% Construction Documents and means final versions of construction documents used for permitting and associated specifications including architectural, civil, structural, mechanical, electrical, plumbing, fire protection, landscape, site plans with parking, all floorplans, exterior and interior elevations, enlarged plans, building sections, millwork detail and other specialty consultant design documents with such detail and containing such additional details and information as IHG may request. The Final Plans as submitted to IHG shall conform to then prevailing Standards, including the construction standards set forth in the Standards and address all revisions required by IHG's review and approval of the Preliminary Plans.

7. Submit to IHG a pre-construction disability compliance certification signed by an architect with professional experience applying the requirements of the Americans with Disabilities Act ("ADA") and the ADA Standards, in the form of Attachment "C" (the "ADA Certificate"). Such certification must confirm the qualifications of the architect and that the Final Plans, as designed, comply with Title III of the ADA and any other applicable accessibility laws, ordinances or requirements.

8. Submit Preliminary Plans and Final Plans to IHG in Adobe Acrobat PDF format, in accordance with IHG's electronic submittal guidelines, as outlined on www.ihgdesignconnect.com, along with hard copy samples for all finishes and fabrics.

9. Preliminary Plans and Final Plans must be written in English.

B. CONSTRUCTION.

1. Construction shall not begin unless and until IHG has approved the Final Plans and IHG has received the properly executed pre-construction ADA Certificate from Licensee. Thereafter, no change shall be made to the Final Plans without the prior written consent of IHG. Notwithstanding the foregoing, after the Final Plans have been approved, if in the course of actual construction any change in the Final Plans occurs, Licensee shall notify IHG promptly, and in no event later than ten (10) days after Licensee becomes aware of or should have been aware of any such change.

2. Licensee must notify IHG when their contractor has mobilized on site and proceeded with site work.

3. Licensee must complete "Ground Break" of the Hotel by the Ground Break Due Date set forth in Attachment "A") and continuously construct and furnish the Hotel in accordance with the Final Plans and the Standards so that the Hotel opens in the Brand System by the Opening Deadline set forth in section B.9. below. "Ground Break" means the completion of the Hotel building foundation through ground-level or the completion of the finished ground floor slab. Licensee must provide photo documentation of Ground Break to IHG within one day thereafter.

4. Licensee must submit for IHG's review and approval any and all signage, shop drawings, guest room FF&E and Public Area FF&E plans and associated specifications as outlined in the submittal guidelines ("FF&E Specs") to IHG, as designed and prepared by a licensed or accredited design professional with commercial building design background, no later than thirty (30) days after Ground Break. Thereafter, no change shall be made to the FF&E Specs without the prior written consent of IHG. Notwithstanding the foregoing, after the FF&E Specs have been approved, if in the course of actual construction any change in the FF&E Specs occurs, Licensee shall notify IHG and submit changes, within ten (10) days of any such change, for IHG's review and approval.

5. Licensee must submit for IHG's review and approval any and all Life Safety shop drawings as outlined in the submittal guidelines (Fire Alarm and Sprinkler plans), as designed and prepared by a professional sub-contractor with AHJ approval, no later than thirty (30) days after Ground Break. Thereafter, no change shall be made to the fire alarm and sprinkler systems without the prior written consent of IHG. Notwithstanding the forgoing, after the Life Safety system drawings have been approved by IHG, if in the course of actual construction any change in the system design that occurs, Licensee shall, within ten (10) days of any such change, submit such changes for IHG's review and approval.

6. Licensee must submit shop drawings, color boards and specifications to IHG for its review and approval before purchasing and installing any FF&E Specs, including without limitation, any signage. Licensee shall submit the FF&E Specs to IHG, per the electronic submittal guidelines as outlined on www.ihgdesignconnect.com.

7. Licensee must notify IHG if it elects to use any product, design, or FF&E package which has not been pre-approved by IHG. Use of such non-preapproved products, design or FF&E package may require additional time and fees incurred by Licensee.

8. Once the construction has commenced, it shall continue without interruption (except for interruption by reason of events constituting force majeure) until construction is completed. Licensee must provide IHG monthly reports of construction progress in an approved format.

9. Notwithstanding the occurrence of any events constituting force majeure, or any other cause, construction shall be completed and the Hotel shall be furnished, equipped and shall otherwise be made ready to open for business in accordance with the License not later than the Opening Deadline set forth in Attachment "A" (or such other date as IHG and Licensee may agree in writing).

10. Licensee shall cause the Hotel to be constructed according to the Final Plans and the FF&E Specs approved by IHG, and IHG shall determine at its election whether construction has been

completed in accordance with the Final Plans and the FF&E Specs. Licensee must correct or replace any changes from the approved design as noted during construction.

11. Extension requests to the starting date of construction of a new development may be considered on a basis of monthly increments of at least a six (6) month period for any one extension. Requests for extensions greater than six (6) months, but less than or equal to twelve (12) months must be accompanied by an extension fee equal to $10,000. Requests for more than a twelve (12) month extension must be accompanied by a sum equal to one half (1/2) of the then current standard minimum application fee for the proposed number of rooms for the Hotel. IHG's approval of extension requests must be delivered in writing and such approval is not automatic. Licensee will be responsible for any and all expenses that may be incurred by IHG in the processing of an extension request. Extensions beyond 12 months may require resubmittal of final plans, per IHG request.

C. <u>OPENING OF THE HOTEL.</u>

1. The Hotel shall not be opened for business under the Brand System unless and until:

(a) IHG has approved and accepted, in advance, in writing:

(i) the construction of the Hotel in accordance with the Final Plans, the Standards, Life Safety systems, the FF&E Specs, and IHG's requirements; IHG may require Licensee to deliver an architect's certification that the Hotel has been completed in accordance with the Final Plans and a copy of the certificate of occupancy for the Hotel; and,

(ii) the installation of all items of equipment, furniture, signs, computer terminals and related supplies and other items for opening the Hotel as a Brand System Hotel ,and all is in working order; and

(iii) the staffing and training of such staff necessary to operate the Hotel in accordance with IHG's requirements;

(b) no accounts of Licensee are past due to IHG or any of its Affiliates;

(c) Licensee is in full compliance with all of the terms of this License;

(d) Licensee has submitted to IHG all certificates of insurance (and copies of insurance policies if requested by IHG) as required under the License;

(e) Licensee has obtained all necessary governmental approvals, licenses and permits to possess, occupy and operate all areas of the Hotel, according to IHG's requirements, including specifically without limitation, a permanent certificate of occupancy; and

(f) Licensee has submitted to IHG a post–construction disability compliance certification signed by Licensee and an architect with professional experience applying the requirements of the ADA and the ADA Standards, in the form of Attachment "C" – ADA Certificate. Such certification must confirm the qualifications of the architect, the architect has inspected the as-built conditions of the Hotel and building site and that the Hotel and building site have been built in compliance with Title III of the ADA and any other applicable accessibility laws, ordinances or requirements;

(g) Licensee has either (i) delivered a certification that verifies the Hotel complies with IHG's fire protection and life safety Standards and the fire protection and life safety systems of the Hotel are operational, or (ii) retained IHG and paid IHG 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 IHG's fire protection and life safety Standards and the fire protection and life safety systems of the Hotel are operational. Any such certification in (i) above 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 IHG. IHG 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) Licensee has notified IHG in writing that all requirements for construction, furnishing and opening the Hotel have been completed and the Hotel is ready to open as a Brand System Hotel;

(i) Licensee has employed a general manager and department managers and they have successfully completed IHG's training programs; and

(j) IHG has granted written approval to open and operate the Hotel as a Brand System Hotel and established the Opening Date. If IHG establishes an Opening Date but the letter agreement provides for additional construction, upgrading, renovation, or training (the "Additional Work"), Licensee will be authorized to use the Brand System and identify the Hotel as a Brand System Hotel only for such time as Licensee is diligently completing the Additional Work. Failure to timely complete the Additional Work is a default under this License. IHG may review any Additional Work, and Licensee must ensure that the Hotel complies with all requirements of IHG following such review. Licensee, its contractors and subcontractors must cooperate fully with any inspections conducted by IHG. If any site visits and inspections are necessary to ensure the Hotel complies with the Additional Work requirements, IHG may charge its then-current fee for the additional time spent inspecting the Hotel plus travel costs. If IHG determines an additional test and inspection of the fire protection systems or life safety components of the Hotel is necessary, IHG may charge Licensee its then-current fee for such site visits and inspections.

2. Notwithstanding anything else herein to the contrary, IHG may, in its sole judgment, authorize Licensee to open and operate the Hotel as a Brand System Hotel, even though Licensee has not fully complied with the terms of this License, provided that Licensee agrees to fulfill all remaining terms of this License on or before the dates established by IHG as a condition to allowing opening of the Hotel when less than all of the required work has been completed.

3. Licensee acknowledges and agrees that: (a) IHG's review of Preliminary Plans, Final Plans, FF&E Specs, Life Safety systems or other materials, documents or items submitted to IHG for review and approval pursuant to this License (collectively "Licensee's Plans") is exclusively for determination of compliance with the Standards, the requirements of the Brand System and the terms of this License and not for compliance with all applicable law or adequacy or suitability for the purpose intended, (b) no approval of Licensee's Plans by IHG shall constitute, be deemed or construed in any way as, IHG's consent, approval, acknowledgment or recognition that Licensee's Plans comply with applicable law or are adequate or suitable for the purpose intended, (c) Licensee shall have the sole responsibility for compliance with applicable law and for the adequacy and suitability for the purpose intended and (d) nothing in this License, and no review and approval (or opportunity for review) by IHG of Licensee's Plans shall be deemed to create a duty on the part of IHG that could give rise to any cause of action by Licensee or any of its Affiliates, or any other person or entity against IHG or any of its Affiliates nor their respective officers, directors or employees, based on any alleged deficiency in the adequacy, suitability or legality of Licensee's Plans.

4. IHG may provide an opening team to assist in the opening of the Hotel as a Brand System Hotel and to perform cultural training the Hotel employees in accordance with the Standards. The team members will remain at the Hotel for such time as IHG deems appropriate to open the Hotel as a Brand System Hotel. Licensee will pay IHG's costs associated with providing such assistance, including the Openings and Renovations Fee and travel costs.

5. Licensee will conduct an opening advertising and marketing campaign that complies with the Standards.

[CHANGES OF OWNERSHIP, CONVERSION LICENSES AND RE-LICENSINGS]

ATTACHMENT "B"

THE WORK

[Description of Specific Work, whether Property Improvement Plan ("PIP") or Deficiency List for the Hotel to be attached]

IHG may authorize Licensee, in IHG's sole discretion, to open and operate the Hotel as a Brand System Hotel even though Licensee has not fully complied with the terms of the License, provided Licensee fulfills all remaining terms of this License on or before the date designated by IHG. Licensee may not commence operation of the Hotel as a Brand System Hotel without IHG's written authorization to do so. Notwithstanding any consent by IHG to the authorized conditional opening of the Hotel as Brand System Hotel, the construction, upgrading and renovation work more particularly described in paragraph 13.J. and in this Attachment "B" must be completed by Licensee on or before the dates set forth in this Attachment "B" and the Hotel must otherwise be in compliance with the License and must open as a Brand System Hotel on or before the Opening Deadline set forth in Attachment "A".

ATTACHMENT "C"

ACCESSIBILITY CERTIFICATION

Hotel Location Code: _____

Location #: _____

Hotel Name (as it appears in the IHG Website): _____

Hotel Address: _____

Licensee: _____

This certification is intended to comply with the accessibility standards and/or the Travelers with Disabilities Section of the relevant brand standards as well as the InterContinental Hotels Group Design & Construction standards, all of which require compliance with Title III of the Americans with Disabilities Act (ADA), including the 1991 and/or 2010 ADA Standards for Accessible Design (ADA Standards), and all other applicable accessibility requirements. These standards require as follows:

a. For newly constructed hotels: (1) a pre-construction certification of the final plans for the building and building site submitted prior to the commencement of construction by an architect with professional experience applying the requirements of the ADA and the ADA Standards; and (2) a post-construction certification submitted after an inspection of as-built conditions signed by Licensee.
b. For renovations required for relicensing, conversions, brand changes or changes of ownership: a post-renovation certification submitted after an inspection of as-built conditions signed by Licensee.
c. For voluntary renovations: a post-renovation certification submitted after an inspection of as-built conditions signed by Licensee.

Please select the option for which this Certification is submitted:

¨ **Newly Constructed Hotel** (Must submit Certification Options A & B below)

¨ **Renovation Required for Relicensing, Conversion, Brand Change or Change of Ownership** (Must submit Certification Option B below)

¨ **Voluntary Renovation** (Must submit Certification Option B below)

Please select the Option(s) for which Licensee is submitting this Certification.

¨ **Option A: Newly Constructed Hotel - Pre-Construction Certification**

The undersigned certifies that (1) he/she is an architect with professional experience applying the requirements of the ADA and the ADA Standards; and (2) the final plans for construction of this building and building site are in compliance with Title III of the ADA and any other applicable accessibility laws, ordinances or requirements, to the best of his/her knowledge, information, and belief.

Name of Architect: _____

Name of Firm: _____

Signature: _____

Title: _____ Date: _____

¨ **Option B: Licensee Post-Construction or Post-Renovation Certification**

The undersigned Licensee, to the best of his/her knowledge, information, and belief, certifies that this building and building site have been built, renovated or altered in compliance with Title III of the ADA and any other applicable accessibility laws, ordinances or requirements, including, but not limited to, any accessibility laws or requirements regarding the following:

- The appropriate number and distribution of accessible guest rooms
- Features in accessible guest rooms
- Parking and exterior accessible routes
- Public entrances and interior accessible routes
- Service counters
- Public and common restrooms
- Meeting rooms
- Food and beverage establishments
- Swimming pools, spas, and fitness centers

Name of Licensee Principal Correspondent: _____

Signature: _____

Date: _____

Electronic Signature Acknowledgement:

This Certification may, at IHG's option, be executed via electronic signature. In such event, Licensee acknowledges that conducting this transaction using electronic means is optional and is not a condition to executing this License. By electronically signing this paragraph, Licensee agrees to conduct this transaction using electronic means, which includes the transmittal of electronic communications and the execution of the agreement using an electronic signature. Licensee further agrees that the parties' electronic signatures are valid and create a binding and enforceable agreement. If Licensee does not agree to conduct the transaction electronically and does not agree to execute the agreement using an electronic signature, Licensee must promptly notify IHG and IHG will provide Licensee with a non-electronic Certification.

Licensee Signature (or Initials): _____

By receiving or accepting this Certification, IHG is not confirming that Licensee and/or Licensee's property are in compliance with all applicable federal, state, and local accessibility requirements. Per the relevant license agreement, Licensee is solely responsible for compliance with all applicable accessibility requirements, including the ADA and the 1991 and/or 2010 ADA Standards for Accessible Design.

ATTACHMENT "D"

MASTER TECHNOLOGY SERVICES SCHEDULE

1. Services.

1.1 IHG or an Affiliate thereof has entered into agreements with certain external service providers not Affiliated with IHG (each, a "**Service Provider**") for the provision of Hardware, Software, and Services (each, an "**Enabling Agreement**").

1.2 IHG or an Affiliate thereof will facilitate Licensee's access to Service Providers' Hardware, Software, and Services, and Licensee will pay for, receive, and use such Hardware, Software, and Services in accordance with the terms set forth in the License, including this Attachment "D" (the "**Master Technology Schedule**"), the Enabling Agreements, and any applicable Participation Agreement or Order Form.

1.3 Capitalized terms used in this Master Technology Schedule shall have the meanings ascribed to them in the License unless otherwise defined in **Schedule 1 (Definitions)** attached hereto.

2. **Legal Structure.**

2.1 The provisions of this Master Technology Schedule will be deemed to incorporate (a) the attachments, exhibits and schedules attached hereto, and (b) all of the terms, covenants, and conditions contained in the License, as specified in the following sentence with such modifications as are necessary to make them applicable to this Master Technology Schedule as if fully set out herein. Such incorporated provisions include the provisions of the License regarding term; proprietary intellectual property rights; notices; indemnification; insurance; compliance with laws; and dispute resolution.

2.2 In the event of a conflict between:

2.2.1 a provision in this Master Technology Schedule and a provision in an Order Form, the provision in the Order Form shall prevail;

2.2.2 a provision in this Master Technology Schedule and a provision in the Participation Agreement, the provision in this Master Technology Schedule shall control.

2.3 The foregoing order of priority shall be applied only after construing the applicable provisions to avoid any such conflict and/or to minimize the extent of such conflict.

3. Service Framework.

3.1 Core Services. IHG or an Affiliate of IHG has entered into Enabling Agreements with Service Providers to provide certain Hardware, Software, and Services. IHG will make available to Licensee the Hardware, Software, and Services for the core technology solutions set forth in **Schedule 2 (Core Services)** attached hereto (the "**Core Services**"). These Core Services are provided by IHG, an Affiliate of IHG, or Service Providers and are required to operate the Hotel in the Brand System. IHG and/or its Service Provider may modify or cause to be modified the features and functionality of the Core Services in the ordinary course of technology development, and IHG will notify Licensee of any such material modification. In addition, IHG reserves the right to add or remove Core Services or to replace any of the Core Services.

3.2 Additional Required Services. IHG or an Affiliate of IHG has entered into Enabling Agreements with Service Providers approved by IHG to provide certain Hardware, Software, and Services that are mandatory components of Licensee's technology configuration required to operate the Hotel in the Brand System ("**Additional Required Services**"). IHG will make available to Licensee the Additional Required Services as set forth in **Schedule 3 (Additional Required Services)** attached hereto, pursuant to an Order Form and/or a Participation Agreement. Licensee is obligated to purchase each of the Additional Required Services. IHG and/or its Service Provider may modify or cause to be modified the features and functionality of the Additional Required Services in the ordinary course of technology development, and IHG will notify

Licensee of any such material modification. IHG reserves the right (i) to change the Service Provider for any Additional Required Service, and (ii) to add or remove Core Services or to replace any of the Additional Required Services.

3.3 Optional Services. From time to time, IHG or an Affiliate of IHG may enter into an Enabling Agreement with a Service Provider to provide optional Hardware, Software, and Services that are not included in the Core Services or the Additional Required Services ("**Optional Services**"). As determined by IHG, Licensee may receive the benefits of the negotiated terms, conditions, and pricing for the Optional Services obtained by IHG in the Enabling Agreements with Service Providers, and may obtain the Optional Services, by entering into an Order Form and/or a Participation Agreement.

3.4 Supplemental Terms. The Core Services, Additional Required Services, and any Optional Services are provided subject to and in accordance with the supplemental terms set forth in **Schedule 4 (Supplemental Terms)** attached hereto (the "**Supplemental Terms**"). IHG may unilaterally modify or add to any component of the Supplemental Terms upon ten (10) days written notice to Licensee. Licensee acknowledges that the Supplemental Terms are based in part upon the terms and conditions contained in the Enabling Agreements.

3.5 Curated Solutions. The Core Services, Additional Required Services, and such Optional Services as Licensee may contract to receive, as such services may be in effect from time to time, are together referred to as the "**Curated Solutions**".

3.6 New Technologies. From time to time by mutual agreement, IHG will enable Licensee's access to new or enhanced technologies for use at the Hotel under a test, evaluation, pilot, proof of concept, or other temporary use arrangement ("**Proof of Concept Projects**"). Licensee acknowledges that such Proof of Concept Projects will entail the deployment of new technologies still under development, that such technologies are expected to contain bugs, imperfectly functioning features, and other defects inherent in the early stage of Software development, and that tolerating such defects is the cost of adopting and testing new and unproven technologies. Licensee will provide feedback to IHG on such Proof of Concept Projects so that the technologies may be further developed, refined, and enhanced to better serve Licensee and the IHG Portfolio Brands. IHG may terminate any such Proof of Concept Projects upon reasonable notice to Licensee. IHG HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESSED OR IMPLIED, FOR THE PROOF OF CONCEPT PROJECTS OR FOR MERCHANTABILITY, SATISFACTORY QUALITY, AND FITNESS FOR A PARTICULAR PURPOSE. THE PROOF OF CONCEPT PROJECTS ARE PROVIDED "AS IS" AND "WHERE IS".

4. Service Terms.

4.1 Right to Use. Licensee will have the non-exclusive right to access and use the Curated Solutions in accordance with and subject to this Master Technology Schedule, the Supplemental Terms, and the Participation Agreements or Order Forms (as applicable).

4.2 Restrictions on Use of Curated Solutions. Licensee will use the Curated Solutions solely for Licensee's internal business purposes at the Hotel and only as permitted by this Master Technology Schedule. Licensee will not:

4.2.1 transmit Curated Solutions to any third party or third party network, or permit any third party to access or use the Curated Solutions;

4.2.2 use the Curated Solutions, or any data derived from the Curated Solutions, in a service bureau, time-sharing, multiple CPU, or multiple user arrangement;

4.2.3 copy, reproduce, store, sell, assign, pledge, sublicense, convey, transfer, redistribute, transmit, grant other rights in, or permit any unauthorized use of the Curated Solutions;

4.2.4 prepare derivative works or incorporate the Curated Solutions, in whole or part, into any other system or work;

4.2.5 reverse engineer, disassemble, decompile, decode, adapt or otherwise attempt to derive or gain access to the source code of the Curated Solutions, in whole or in part;

4.2.6 bypass or breach any security device or protection used by the Curated Solutions or access or use the Curated Solutions other than by an authorized user through the use of their own then valid access credentials;

4.2.7 input, upload, transmit, or otherwise provide to or through the Curated Solutions, any information or materials that are unlawful or injurious, or contain, transmit, or activate any harmful code;

4.2.8 remove, delete, alter, or obscure any trademarks warranties or disclaimers, or any copyright, trademark, patent, or other intellectual property or proprietary rights notices from any Curated Solution, including any copy thereof;

4.2.9 access or use the Curated Solutions in any manner or for any purpose that infringes, misappropriates, or otherwise violates any intellectual property right or other right of any third party, or that violates any applicable law; or

4.2.10 otherwise access or use the Curated Solutions beyond the scope of the authorization granted under this Master Technology Schedule, the Supplemental Terms, and the Participation Agreements or Order Forms (as applicable).

Each of the terms and conditions of this Section will apply to the Curated Solutions jointly as well as to each Curated Solution individually.

4.3 Minimum Configuration. IHG will provide a list of Hardware, Software, and network connectivity and configurations required for Licensee's use of the Curated Solutions (the "**Minimum Configuration**"). IHG may update the Minimum Configuration upon notice to Licensee via IHG's online portal, currently branded as "IHG Marketplace" (as such form or portal may be changed by IHG) from time to time as required by evolving technology and security needs. Licensee is solely responsible for ensuring its Hardware, Software, and network environment meet the requirements of the Minimum Configuration at Licensee's cost.

4.4 Noncompliance with Minimum Configuration. Licensee will be solely responsible for any installation and support of any Hardware and/or Software not listed as approved on the Minimum Configuration. All such Hardware and/or Software cannot be installed on the IHG's network and must be installed only on the Hotel's operations network. If IHG determines that such Hardware and/or Software is adversely affecting the performance of the IHG's infrastructure, IHG in its discretion may require such Hardware and/or Software to be removed or disconnected. IHG will have no liability related to lost or damaged data of any kind arising from Licensee's installation and use of such Hardware and/or Software or with respect to any removal or disconnection required by IHG.

5. Fees, Invoicing, and Payments.

5.1 For Core Services. Each month, IHG or an Affiliate of IHG will invoice Licensee for the fees associated with the Core Services provided to Licensee in the preceding month in accordance with the License. Licensee will pay the Core Fees in accordance with the payment terms set forth in the License.

5.2 For Additional Required Services. The Service Provider will invoice Licensee for the fees associated with the Additional Required Services in accordance with the Participation Agreement, or if the Additional Required Service has been contracted through an Order Form, IHG or an Affiliate of IHG will invoice Licensee for the fees associated with such Additional Required Service in accordance with the Order Form. Licensee will timely pay the fees due to Service Providers and IHG (or its Affiliates) for the Additional Required Services in accordance with the payment terms set forth in the applicable Participation Agreement or the Order Form.

5.3 For Optional Services. The Service Provider, IHG, or an Affiliate of IHG (as applicable) will invoice Licensee for the fees associated with the Optional Services provided to Licensee in accordance with the

Order Form or Participation Agreement. Licensee will timely pay the fees due to Service Providers and IHG (or its Affiliates) for Optional Services as provided in the applicable Order Form or Participation Agreement.

5.4 Optional Fees and Fee Increases. Licensee acknowledges that the pricing for Curated Solutions is based on license, maintenance, and other fees and charges for the Curated Solutions, and that fees may change (including increase) based on factors, including: (a) the amount of use or number of users of the Curated Solutions; (b) changes to the fees charged by a Service Provider; and (c) restrictions or other limitations set forth in an Enabling Agreement. Notwithstanding anything to the contrary in this Master Technology Schedule, the fees paid to IHG or an Affiliate of IHG for Additional Required Services and Optional Services are subject to revision by IHG upon thirty (30) days' notice to Licensee.

5.5 Taxes. All Taxes resulting from the provision of the Curated Solutions under this Master Technology Schedule (except for taxes based solely on the net income of IHG and its Affiliates) shall be the responsibility of Licensee. If IHG is required to pay any such Taxes or penalties or interest relating thereto, IHG will provide an invoice for such amounts and Licensee will pay such amounts within thirty (30) days of the date of the invoice.

5.6 Withholding Taxes. If any of the Curated Solutions, or any component thereof, is subject to withholding Tax, Licensee will withhold and deduct from payments due to IHG hereunder as required under any local Tax jurisdiction and/or applicable double Tax treaty, and Licensee shall remit such withholding to the appropriate Tax authority and provide IHG with an appropriate Tax certificate/invoice evidencing payment within thirty (30) days of payment. IHG and Licensee shall reasonably cooperate to claim withholding benefits or exemptions available under any applicable double Tax treaty.

6. Confidential Information.

6.1 Confidential Information. From time to time, IHG or one of its Affiliates may disclose or make available to Licensee, whether orally, electronically or in physical form, confidential or proprietary information of or in the possession of IHG or its Affiliate (including confidential or proprietary information of a third party that is in IHG's or its Affiliate's possession) in connection with the Curated Solutions or this Master Technology Schedule. The term "**Confidential Information**" shall include all information and data which at the time of disclosure either:

6.1.1 is marked as "Confidential" or "Proprietary";

6.1.2 is otherwise reasonably identifiable as the confidential or proprietary information of IHG or its Affiliate; or

6.1.3 should reasonably be understood to be confidential or proprietary information of IHG or its Affiliate given the nature of the information and the circumstances surrounding its disclosure.

Licensee shall not disclose any such Confidential Information to any third party without the prior written consent of IHG and shall only access and use the Confidential Information as required for the limited purpose of performing its obligations under this Master Technology Schedule; provided that Licensee may disclose Confidential Information to its employees, contractors and professional advisors who need to know such information in order to perform their obligations related to this Master Technology Schedule and who are contractually bound by confidentiality obligations that are at least as protective as those in this Master Technology Schedule. Licensee shall use commercially reasonable care and discretion to avoid unauthorized use, disclosure, publication, or dissemination of Confidential Information (which shall be no less than the standard of care used by Licensee to protect its Confidential Information of a similar nature). For Confidential Information that does not constitute a "trade secret" under applicable law, these confidentiality obligations will expire three (3) years after the termination or expiration of the License. For Confidential Information that constitutes a "trade secret" under applicable law, these confidentiality obligations will continue until such information ceases to constitute a "trade secret" under such applicable law. Licensee will be responsible for any breach of this Section by its Agents, Affiliates and any third party to whom it or they disclose Confidential Information in accordance with this Section ("**Recipients**"). Upon the request of IHG, Licensee shall deliver to IHG or destroy all copies of Confidential Information. Licensee

agrees to certify in writing to IHG that it and each of its Affiliates, Agents, and Recipients have performed the foregoing.

6.2 Exclusions. Excluding Personal Data, which shall always be deemed to be Confidential Information, the term Confidential Information will not include any information that Licensee can establish by convincing written evidence:

6.2.1 was independently and lawfully developed by Licensee without use of or reference to any Confidential Information belonging to or received from IHG or one of its Affiliates;

6.2.2 (b) was lawfully acquired by Licensee from a third party having the legal, unconditional right to furnish same to Licensee; or

6.2.3 (c) was at the time in question (whether at disclosure or thereafter) generally known by or available to the public (through no fault of Licensee).

6.3 Required Disclosures. These confidentiality obligations will not restrict any disclosure required by applicable law, provided that Licensee gives prompt notice to IHG of any such legal requirement and reasonably cooperates with IHG at IHG request and expense to resist such legal requirement or to obtain a protective order.

7. Security Practices.

7.1 Licensee understands that IHG and its Affiliates will have access to certain reports and information relating to the Hotel and generated through the use of the Curated Solutions, including information relating to revenues, room occupancy, and availability, as well as Personal Data. Licensee and the Hotel shall, and Licensee shall cause its Agents to, comply with:

7.1.1 all applicable laws, including the Data Privacy Laws and contractual obligations, and any requirements of the credit card processing industry, including PCI DSS and any successor standard,

7.1.2 all Standards, and

7.1.3 all IHG policies, requirements, and requests concerning access to any Curated Solution, network connectivity, and transmission of data and reports to IHG and its Affiliates.

7.2 Licensee shall be responsible for ensuring adequate security and backup procedures to avoid unauthorized access to, use of, or inadvertent loss of data and shall, in its discretion, determine appropriate security, which shall be no less than the standard of care in the industry. Without limiting Licensee's obligations set forth in subparts 7.1.1, 7.1.2 and 7.1.3 above, Licensee will comply with any additional security and data protection practice requirements that IHG will provide to Licensee in writing, which may be updated from time to time (the "**Security Practices**"). IHG may, in its sole discretion, amend the Security Practices at any time without prior notice (each, a "**Security Practices Update**"). A Security Practices Update may include additional terms and conditions, including the additional obligations of Licensee. Licensee will comply with any Security Practices Update within thirty (30) days following the date of the Security Practices Update and will comply with any changes to applicable laws, contractual obligations, and industry requirements (including PCI DSS and any successor standard) within the time period provided by such law or industry requirement.

8. PRIVACY AND DATA PROTECTION.

8.1 Core Services and Optional Services. Unless otherwise stated in the Supplemental Terms, Participation Agreement, or Order Form, the privacy and data protection terms set out in Paragraph 7 of the License will apply to the Core Services and the Optional Services.

8.2 Additional Required Services. Privacy and data protection terms for Additional Required Services are stated in the applicable Participation Agreement, Order Form, or Supplemental Terms.

9. REPRESENTATIONS, WARRANTIES AND COVENANTS.

9.1 By Licensee.

9.1.1 Access and Use of Curated Solutions. Licensee will access and use each Curated Solution only in accordance with the License, the Supplemental Terms, and if applicable, the Participation Agreement or Order Form.

9.1.2 Compliance with laws. Licensee will comply with (i) all laws applicable to Licensee and the Curated Solutions, and (ii) the policies, requirements, and procedures of IHG that are made available to Licensee from time to time.

9.1.3 Licensee Responsibilities. Licensee will, and will cause its Agents to:

9.1.3.a, test the Curated Solutions in Licensee's environment before use;

9.1.3.b, ensure that Licensee's personnel are using the Curated Solutions correctly;

9.1.3.c, enter information into the Curated Solutions accurately and completely;

9.1.3.d, present information displayed by the Curated Solutions accurately; and

9.1.3.e, report any actual or suspected Software errors or Service failures discovered in the course of using any Curated Solution to IHG and the applicable Service Provider.

9.2 By IHG.

Disclaimer. IHG is not the licensor or provider of any of the Curated Solutions made available to Licensee hereunder and offers no warranties on any Services. In agreeing to the Supplemental Terms or Participation Agreement (as applicable), Licensee is relying solely on the Service Provider's warranties, if any, expressly passed through to Licensee under such Supplemental Terms or Participation Agreement. IHG HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, FOR THE SERVICES, NETWORK CONNECTIVITY, AVAILABILITY, SOFTWARE, HARDWARE, OR SYSTEMS OR FOR MERCHANTABILITY, SATISFACTORY QUALITY AND FITNESS FOR A PARTICULAR PURPOSE. EXCEPT FOR ANY PASS-THROUGH WARRANTY MADE BY A SERVICE PROVIDER OF SERVICES, ALL SERVICES, AND ALL SUPPORT MATERIALS AND OTHER DATA, SOFTWARE OR OTHER ITEMS MADE AVAILABLE BY A SERVICE PROVIDER OF SERVICES, ARE PROVIDED "AS IS" AND "WHERE IS".

10. TERMINATION.

10.1 Termination for Convenience. IHG may terminate and/or replace this Master Technology Schedule, in whole or part, upon ninety (90) days' prior written notice to Licensee, without any liability to Licensee.

10.2 Termination of a Participation Agreement. The termination of any Participation Agreement pursuant to its terms will not alone cause, or be interpreted as causing, termination of this Master Technology Schedule.

10.3 Other Remedies. If Licensee is in default pursuant to paragraphs 11.B. or 11.C. under the License or in default of any of its obligations to IHG with respect to any Curated Solution, IHG may, in addition to or in lieu of exercising its termination or other, legal, equitable, or contractual rights, limit, reduce, suspend, or terminate Licensee's use of or access to any or all of the Curated Solutions.

11. DAMAGES.

11.1 IN NO EVENT SHALL IHG BE LIABLE FOR THE FOLLOWING, REGARDLESS OF CAUSATION: INDIRECT, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING LOST BUSINESS, LOST PROFITS, INTEREST, PENALTIES OR ASSESSMENTS IMPOSED UNDER APPLICABLE LAW OR OTHERWISE, THIRD PARTY CLAIMS BY AFFILIATES, PARTNERS OR CUSTOMERS OF LICENSEE OR OTHERWISE, OR DAMAGES WITH RESPECT TO WHICH LICENSEE CONTRIBUTED OR ACTED AS AN INTERVENING CAUSE, WHETHER FORESEEABLE OR NOT, EVEN IF IHG HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

11.2 IHG shall not be liable for any loss, cost, expense (including attorney fees), liability, damage, or claim (including strict liability in tort) (a) related to or arising from the Curated Solutions; or (b) for the selection, quality, condition, merchantability, suitability, fitness, operation, installation, repair, adjustment, or performance of the Curated Solutions or the adequacy, quality, delay or suitability of the maintenance or support services provided by a third party pursuant to this Master Technology Schedule or for any interruption or loss of service or use of network connectivity or the Software. Such liability, if and to the extent it may exist, rests solely with the applicable Service Provider of the Curated Solution to IHG and the Hotel.

12. AUDITS.

12.1 During the License Term and for a period of two years following any expiration or termination of the License, IHG or its designated representative may enter upon the premises of the Hotel during regular business hours upon no less than twenty-four (24) hours' notice to audit and review Licensee's (i) use of the Curated Solutions; (ii) verify compliance with the License and the Enabling Agreements; and (iii) ensure compliance with applicable laws and Security Practices. Licensee will cooperate with any such audit at Licensee's expense. Any fees or amounts determined to be due, or any remedial action to be undertaken, as a result of Licensee's audited use of the Curated Solutions or Security Practices not in compliance with this Master Technology Schedule shall be the sole responsibility of Licensee. Nothing in this Section shall be deemed to limit IHG's rights to perform monitoring of the Curated Solutions at any time.

13. MISCELLANEOUS PROVISIONS.

13.1.1 Survival. Section 11 (Damages) and, to the extent necessary, Schedule 1 (Definitions) of this Master Technology Schedule shall survive the expiration or termination of the License.

13.1.2 Licensee Agents. Licensee will cause each of its Agents to comply with the terms and conditions of the License including, without limitation, this Master Technology Schedule. Licensee will be responsible for the acts and omissions of each of its Agents, including any failure by any such Agent to comply with the terms set forth herein.

13.1.3 Force Majeure. IHG is not liable for failing to fulfil any of its obligations under this Master Technology Schedule due to acts of God, acts of war, epidemic, failure of utility or communications infrastructure beyond that which would be avoided by reasonable use of back-up electricity supplies, or other causes beyond IHG's reasonable control.

* * * *

Schedule 1 to Attachment "D"
Definitions

The following capitalized terms used in this Master Technology Schedule shall have the respective meanings specified below:

"**Agents**" means the employees, contractors, suppliers, subcontractors, and representatives of Licensee.

"**Hardware**" means computers, input and output devices, expansion cards, storage devices (including hard drives and installed and removable flash memory), portable computer and communications devices, other telecommunications devices, cables, wireless interfaces, and other computer peripherals.

"**Order Form**" means a binding contract created through an IHG-approved order form submitted to IHG or an order through IHG's online portal, currently branded as "IHG Marketplace", as such form or portal may be changed by IHG from time to time, for Services and/or Hardware to be governed by this Master Technology Schedule. The submitted order form or order placed through the portal, once accepted by IHG, forms the binding contract and becomes part of this Master Technology Schedule.

"**Participation Agreement**" means a joinder, subscription, or participation agreement executed between Licensee and a Service Provider to establish terms governing Hardware, Software, or Services provided by the Service Provider to Licensee in connection with an Enabling Agreement.

"**Services**" means any services enabled under this Master Technology Schedule, including the Core Services, Additional Required Services, and Optional Services.

"**Software**" means utilities, operating systems, scripts, applications, system updates, add-ons, or other materials that can be installed on or used in connection with Hardware, whether in binary machine code or human-readable source code form.

"**Tax**" means any federal, national, state, local, or non-U.S. income, gross receipts, franchise, sales, use, transfer, value-added, excise, customs, duties, property, withholding or any other tax, charge, or fee, including any interest, penalties, or other additions to tax, imposed by a governmental authority.

Schedule 2 to Attachment "D"
Core Services

IHG Concerto™. IHG Concerto is an IHG-proprietary, cloud-based computerized solution that provides key features needed to manage and operate a Hotel, including:

- Reservations system;
- Revenue management system;
- Content management system;
- Guest relations; and
- Hotel operations insights.

As part of the Core Services, IHG provides network connectivity, system integration, and system interfaces between the Hotel, IHG Concerto, and other services comprising the IHG/Hotel ecosystem.

Support Services. Support services include remote support and on-site maintenance for approved Hardware and Software specified in the Minimum Configuration and required as part of Licensee's use of the Core Services and the Additional Required Services.

Hotel Opening Consultation Services. (*required only for Hotels new to an IHG Portfolio Brand*). Guidance and consulting on technology-related requirements for opening and operating an IHG Portfolio Brand Hotel, including use of property management system.

Schedule 3 to Attachment "D"
Additional Required Services

Property Management System. The property management system ("PMS") is a comprehensive Software application used to coordinate the Hotel operational functions, e.g., front office, sales and planning, accounting, and reporting. The PMS may be integrated or interface with the Core Services or other solutions, including reservations systems, revenue management systems, guest in-room entertainment, housekeeping optimization, and payment card authorization.

NextGen Payments. NextGen Payments ("NGP") is a computerized payment card processing program. It contains a data security process designed to remove certain credit card information from IT systems administered by IHG or its Affiliates. Using PCI-certified payment terminals, credit card data is encrypted and converted to tokens before entering the PMS. Participation Agreements for tokenization services and for installation services are required. In addition, Licensee will be required to enter into a merchant processing application and agreement with the IHG-approved merchant service provider.

Deployment, Installation, and Support. A Service Provider will provide deployment, integration, and other support services for the Hotel PMS and NGP. A joinder or similar agreement is required in order to obtain these PMS/NGP Hardware, Software, and deployment services.

FastConnect SD-WAN. FastConnect SD-WAN is a service providing an approved virtual private networking and security platform for the Hotel's LAN/network connectivity. FastConnect SD-WAN is the only approved network transport and security solution. A Participation Agreement is required.

IHG Connect. The IHG Connect program provides guest internet access and personalized guest internet experience, consisting of:

- IHG Connect Bandwidth – providing internet connectivity to the Hotel per the Standards; and
- IHG Connect WiFi – IHG-approved wifi solution, including required Hardware and Software infrastructure that enables the Hotel to take control of its guest wireless solutions;

IHG Connect is supported by IHG-certified technology service partners that provision internet, perform wifi integration, and provide ongoing support services. A Participation Agreement with both the internet service provider and the wifi systems integrator is required. Bandwidth is currently provided through an Order Form via IHG Marketplace.

Employee Safety Devices. This alert system enables employees to notify hotel management of an emergency with the push of a button. Employee Safety Devices must be procured and installed by one of several approved Service Providers and meet defined requirements. A Participation Agreement with Licensee's selected Service Provider is required.

Public Access Computers. Public Access Computers (or Business Center Computers) are designated workstations with a multi-function printer, providing complementary internet access to Hotel guests. Public Access Computers must utilize IHG-approved protection Software and includes enrollment in a 24x7 support program offered by an approved Service Provider. A Participation Agreement with an approved Service Provider is required.

In Room Entertainment and Media Solutions. In Room Entertainment and Media Solutions is a digital guest experience platform that delivers guest services with advanced and connected technology to allow guests to access an interactive and personalized entertainment experience, through an in-room TV or mobile device, and access to a set of unique in-room guest services and brand content. In Room Entertainment and Media Solutions is supported by IHG-certified technology service partners that provision the platform and provide ongoing support services. Media/entertainment content is secured through Service Providers engaged by IHG or its Affiliate. A Participation Agreement with both the content Service Provider and the systems integrator is required.

Schedule 4 to Attachment "D"
Supplemental Terms

This Schedule contains the following Attachments:

Attachment 4-1	IHG Concerto Supplemental Terms
Attachment 4-2	Support Services Supplemental Terms
Attachment 4-3	Hotel Opening Consultation Services Supplemental Terms

Attachment 4-1 to Schedule 4

IHG Concerto Supplemental Terms

1. Implementation. IHG will use commercially reasonable efforts to assist Licensee with the installation, implementation, and maintenance of IHG Concerto.

2. Training. IHG or a Service Provider will provide training services for Licensee's employees in the use of IHG Concerto at implementation and as new releases are available. Licensee shall cause the staff who will use IHG Concerto to participate in and comply with the training. Instructor-led training (on-site or remote) is conducted prior to operations of IHG Concerto. As new releases are available IHG will provide self-paced training to Hotel. Licensee's hotel staff is required to attend and to demonstrate proficiency with IHG Concerto. Licensee will provide adequate space for training during normal business hours.

3. Denial of Access. Licensee acknowledges and agrees that IHG may, at the sole discretion and election of IHG and without prior notice to Licensee, immediately disable, disconnect, or otherwise deny access to IHG's infrastructure with respect to (i) any Hardware or Software specified as prohibited in the Minimum Configuration, and (ii) any Hardware containing prohibited Software. In addition, IHG may immediately and without notice disconnect, disable, or otherwise prevent the use of Hardware and Software with IHG's infrastructure if IHG reasonably believes that a security incident related to such Hardware or Software, including an unauthorized disclosure of Guest Data, could occur, has occurred, or is occurring.

4. Modifications to Licensee Environment. Licensee will not operate its Hardware or Software, including making any modifications to its Hardware and Software, in any manner that may have a detrimental effect on Licensee's or IHG's operations. Such detrimental effects include rendering such Hardware or Software, or any IHG Hardware or Software, inoperable or unresponsive, as determined by IHG. In such cases, if Licensee requests support from IHG in trouble shooting or repairing these effects, Licensee will be solely responsible for all related service, repair, or replacement costs, including all costs of IHG or its Service Providers, which will be billed on a time-and-materials basis.

5. Updates to the Minimum Configuration. Within 90 days (or a shorter or longer period specified by IHG in writing (email sufficient)) following any update to the Minimum Configuration by IHG, Licensee will (i) purchase and install then-current approved Software and approved Hardware described in the Minimum Configuration, and (ii) decommission any Hardware and Software that is no longer approved, as applicable, in each case at Licensee's expense.

6. WAN Hardware. IHG may install or cause to be installed a wide area network (**WAN**) and WAN Hardware for Hotel's use in communicating with IHG's systems. IHG shall have the right to determine the optimal method of access based upon the Software and Hardware located at the Hotel and the telecommunications and other services available to Licensee. Licensee acknowledges that Licensee will not acquire any ownership interest in the Hardware related to or installed in connection with the WAN. Licensee hereby irrevocably authorizes IHG or its agents, or the agents of any WAN Hardware lessor or supplier, to enter upon the Hotel property for the purpose of installing, inspecting, maintaining, and removing the WAN Hardware. IHG requires that Licensee, at Licensee's cost, purchase broadband Internet access at the Hotel in order to establish the primary WAN link. IHG's WAN link will be used as a backup if the primary WAN link fails.

7. WAN Hardware Installation. Licensee agrees that only WAN Hardware that meets IHG's specifications and configurations will be installed or connected in any way to the reservation system. IHG will have the right to cause the installations of the WAN Hardware at the Hotel by a date specified by IHG. Licensee will, at Licensee's expense and prior to the scheduled installation of the WAN Hardware, make available to IHG and its vendors a suitable, readily accessible location for installation of the WAN Hardware. Licensee will furnish the required electrical connections and any necessary cable installation and shall perform all work, including alterations, IHG deems necessary to prepare the site for installation and operation of the WAN Hardware. Once installed, Licensee shall not move, service, alter, or damage the WAN Hardware. Licensee will procure that all WAN at the Hotel will (i) be installed in the Hotel's information technology room in a cabinet customarily used for such purposes and otherwise satisfying IHG's reasonable requirements, (ii) be clearly labeled, and (iii) be connected to an uninterruptible power supply. Upon

expiration of, termination of, or event of default under the License, the WAN Hardware may be required to be de-installed from the Hotel by a Service Provider reasonably acceptable to IHG and at Licensee's sole expense.

Attachment 4-2 to Schedule 4
Support Services Supplemental Terms

1. Description. Support for the Core Services will include the following:

- Remote support service, includes technical support or break-fix services for approved Software, remote trouble-shooting, general assistance, and incident management. The service is provided 7 days a week, 24 hours/day via call center support calls, online, or other automated methods. Service problems identified or attributed to a Service Provider will be referred to the Service Provider.

- Onsite maintenance service: break-fix services, including repair and exchange, for approved Hardware, with the following availability:

  - 7 days a week, 24 hours/day for critical Hardware, with a service level target of four hour response time on server equipment and network switch equipment.
  - Business days (Monday to Friday), with a service level target of next business day during business hours coverage, for workstations, UPS, monitors, and printers.

2. Conditions. IHG will provide support services for so long as the following conditions are satisfied:

- Licensee maintains, or cause to be maintained, Hardware and Software in accordance with the Minimum Configuration and manufacturer specifications and under warranty;
- Licensee maintains virus protection and other data protection standards required by IHG; and
- Licensee performs routine maintenance on the Hardware/Software, including completing upgrades and enhancements required by IHG, verifying that no warning lights are displayed, and maintaining the Hardware in appropriate environmental conditions.

3. Preventive Maintenance. Licensee will regularly perform preventive maintenance on its Hardware, including the following:

- Licensee will verify all workstations have adequate and up to date virus protection.
- Licensee will ensure regular night backups are initiated and successful.
- Licensee will maintain, or caused to be maintained, its Hardware and Software in accordance with current manufacturer requirements stated in the manufacturer's manual.
- Licensee will perform a power down and reboot of the PMS server and workstations a minimum of once per week.

4. Support Services Related to Non-Approved Software and Hardware. IHG will have no obligation to provide, or cause to be provided, support services with regard to any non-approved Software or non-approved Hardware, or for any failure related to, directly or indirectly, non-approved Software or non-approved Hardware, and Licensee will be solely responsible for all costs related to the foregoing, including the cost of Support Services of approved Hardware or approved Software incurred because of non-approved Hardware or non-approved Software.

Attachment 4-3 to Schedule 4
Hotel Opening Consultation Services Supplemental Terms

1. Completion of Technology Purchases. At least 120 days before the Hotel opening date, Licensee will acquire the Hardware, Software, and communications capabilities specified in the Minimum Configuration. In addition, at least 120 days before the Hotel opening date, Licensee will enter into the Participation Agreements for the Additional Required Services.

2. Site Preparation. Licensee will make available prior to the scheduled installation date, at its own expense, a site for installation and operation of the Hardware in accordance with specifications, which, without waiving or modifying Licensee's obligations hereunder, must be readily accessible to installation personnel. Licensee will furnish the required electrical connections, power, outlets, air conditioning, patch panel, and local area network cable installation required by each manufacturer's installation instructions or other documentation, and shall perform all work, including alterations, that IHG, in its sole discretion, deems necessary to prepare the site for installation and operation of the Hardware. In the event site preparation has not been completed to the reasonable satisfaction of IHG in a timely manner, Licensee will pay upon invoice from IHG the amount of $2,600 (as such charge may be modified by IHG from time to time). Proper site preparation is essential to the performance of the Hardware and no Hardware will be installed unless and until site preparation has been completed to the reasonable satisfaction of IHG.

3. Installation. IHG will notify Licensee of the projected Hardware installation date and will schedule it to be installed at the Hotel. Any Software or Hardware installation delay caused by Licensee will not affect Licensee's obligation to pay any fees or amounts due hereunder. Licensee will be responsible for the time and expenses of its employees, if any, required to assist in the installation of the Software or Hardware and additional expenses incurred by IHG or Service Providers resulting from delays in installation caused by Licensee or its Agents. Licensee will pay the travel and related expenses of, and shall provide lodging and meals to, IHG's and/or the Service Provider's personnel (or a reasonable per diem meal allowance). Licensee will be responsible for the costs of any site preparation work that must be performed by IHG or Service Providers, as well as the costs associated with the installation of any Hardware or Software not part of the Minimum Configuration. Licensee will obtain, coordinate, and notify IHG of the services of any external parties whose products or services Licensee desires to connect to or interface with the reservation system or property management system, such as telephone switches, point-of-sale devices, and in-room movie or entertainment services. Delay by any communications company or any Hardware supplier in performing its obligations to IHG will, for the duration of the delay, excuse any delay by IHG with respect to these installation obligations.

4. Minimum Hardware Quantities. IHG reserves the right in its sole discretion to identify the number of each of the Hardware items required for operations at the Hotel.

5. WAN Installation Fee. Licensee will pay the fee for the wide area network (WAN) installation according to IHG's or a Service Provider's standard rates. Such fee will be payable upon the WAN installation.

6. PMS Training. IHG or a Service Provider will provide training services for Licensee's employees in the use of the PMS. Licensee shall cause the staff who will use the PMS to participate in and comply with the required training. Instructor-led training (on-site or remote) is conducted prior to operations of the PMS. The Hotel staff is required to attend and to demonstrate proficiency with the PMS, with class attendance of 80% or more and a passing score of 90% or greater on the final exam. Licensee will provide adequate space for training during normal business hours.

7. PMS Training Fees. Licensee will pay the fee for the PMS training according to IHG's or a Service Provider's standard rates, as further specified on an Order Form. Such fee will be payable in advance upon completion of such Order Form. Training fees do not include the cost of travel, lodging, transportation, meals, or any other expenses of Licensee's employees attending training, or IHG employee or agent expenses relating to on-site support. Licensee will also pay reasonable travel and related expenses, including lodging and meals for the training and implementation personnel, as well as such expenses for the employees of Licensee participating in any training or other instruction.

8. Customization. If Licensee requires any custom services for its particular location, IHG reserves the right to decline to perform such services or to charge a fee related to the additional services required.

GUARANTY

As consideration of and as an inducement to Holiday Hospitality Franchising, LLC ("IHG") to execute the License dated **{_____insert date_____}** (the "Effective Date") between IHG and **{___insert name____}**, ("Licensee"), for the **[BRAND]** hotel located at **{__insert location address__}**, (including any amendments thereto whenever made, the "License"), the undersigned (jointly, severally, individually and collectively, the "Guarantor"), hereby unconditionally and irrevocably (i) warrants to IHG and its successors and assigns that all of Licensee's representations in the License and the application submitted by Licensee to obtain the License are true and (ii) guarantees that all of Licensee's obligations under the License will be punctually paid and performed. As used in this Guaranty, the singular includes the plural and vice versa, if the context so requires. Each Guarantor agrees to be jointly and severally liable for the obligations and liabilities arising under this Guaranty, meaning that each Guarantor is individually responsible for the entire amount, as well as jointly with any other Guarantors. Any capitalized terms not otherwise defined in this Guaranty shall have the same meaning as in the License.

Upon default by the Licensee and notice from IHG, Guarantor will immediately make each payment and perform each obligation required of Licensee under the License. Without affecting the obligations of Guarantor under this Guaranty, IHG may, without notice to any Guarantor, extend, modify or release any indebtedness or obligation of Licensee or any Guarantor, or settle, adjust or compromise any claims against Licensee or any Guarantor. Guarantor waives notice of amendment of the License and/or notice of demand for payment or performance by Licensee.

This Guaranty shall in all respects be a continuing and absolute guaranty, remaining in full force and effect until all of the obligations have been satisfied in full. No notice of discontinuance or revocation shall affect any of the obligations of Guarantor hereunder. Guarantor's obligations under this Guaranty are independent of Licensee's obligations, and a separate action may be brought against Guarantor to enforce this Guaranty whether or not Licensee is joined in such action. Upon the death of any individual Guarantor, the estate of such Guarantor will be bound by this Guaranty but only for defaults and obligations hereunder existing at the time of death, and the obligations of any other Guarantors will continue in full force and effect.
The Guaranty constitutes a guaranty of payment and performance and not of collection, and each Guarantor specifically waives any obligation of IHG to proceed against Licensee or any money or property held by Licensee or by any other person or entity as collateral security, by way of set off or otherwise. Each Guarantor further agrees that (i) this Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time payment of any of the guaranteed obligations is rescinded or must otherwise be restored or returned by IHG upon the insolvency, bankruptcy or reorganization of Licensee or any of the undersigned, all as though such payment had not been made and (ii) the guaranteed obligations shall not be reduced, limited, terminated, discharged or otherwise affected by any such insolvency, bankruptcy, reorganization or similar proceedings affecting Licensee or its assets or the release or discharge of Licensee from any of its obligations under the License.

Each Guarantor hereby covenants, represents and warrants to IHG as follows: (a) Guarantor has had the opportunity to review, with the benefit of its legal counsel, each of the terms and conditions of this Guaranty and the License and waives any objection it may have to its failure to review such documents; (b) Guarantor shall at all times be informed on all such matters covered under this Guaranty; (c) Guarantor has legal capacity to execute and deliver this Guaranty and such execution has been duly authorized by all necessary action; (d) each obligation under this Guaranty is legal, valid, binding and enforceable against Guarantor in accordance with all of its terms and conditions, subject to general principles of equity and the effect of bankruptcy and other laws affecting the rights of creditors generally; (e) Guarantor is not a Prohibited Person; (f) this Guaranty does not contain any untrue statement of fact or omit to state any fact material to this Guaranty and (g) the financial statements provided by Guarantor are true and correct in all material respects, have been prepared in accordance with generally accepted accounting principles consistently applied and fairly present the financial condition of Guarantor as of such date.

Guarantor further covenants and agrees to, at all times from and after the Effective Date, maintain an aggregate net worth (excluding the value of the Hotel) of not less than $_____ and to all times have liquid assets of not less than $_____.

This Guaranty shall become valid as of the Effective Date. It shall be deemed made and entered into in the State of Georgia, and the undersigned agree that this Guaranty and the obligations provided for hereunder shall be governed and construed in all respects by the internal laws and decisions (except any conflicts of law provisions) of the State of Georgia, including all matters of construction, validity, enforceability and performance.

To the extent permitted by law, each Guarantor (i) consents and submits, at IHG's election and without limiting IHG's rights to commence an action in any other jurisdiction, to the personal jurisdiction and venue of any courts (federal, superior or state) situated in the County of DeKalb, State of Georgia; (ii) waives any claim, defense or objection in any such proceeding based on lack of personal jurisdiction, improper venue, forum non conveniens or any similar basis; and (iii) expressly waives personal service of process and consents to service by certified mail, postage prepaid, directed to the last known address of the undersigned, which service shall be deemed completed within ten (10) days after the date of mailing thereof.

Guarantor agrees to pay IHG all expenses, including reasonable attorneys' fees and court costs, incurred by IHG, its Affiliates, and their successors and assigns, to remedy any defaults of or enforce any rights under this Guaranty or the License, effect termination of this Guaranty or the License, or collect any amounts due under this Guaranty or the License.

Electronic Signature Acknowledgement:

This Guaranty may, at IHG's option, be executed via electronic signature. In such event, Guarantor acknowledges that conducting this transaction using electronic means is optional and is not a condition to executing this Guaranty. By electronically signing this paragraph, Guarantor agrees to conduct this transaction using electronic means, which includes the transmittal of electronic communications and the execution of the agreement using an electronic signature. Guarantor further agrees that the parties' electronic signatures are valid and create a binding and enforceable agreement. If Guarantor does not agree to conduct the transaction electronically and does not agree to execute the agreement using an electronic signature, Guarantor must promptly notify IHG and IHG will provide Guarantor with a non-electronic Guaranty.

Signature (or Initials): _____

[Signatures continue on following page]

IN WITNESS WHEREOF, each of the undersigned has signed this Guaranty under Seal, as of _____, 20__.

Guarantor:

_____
«Guarantor1»
Name: _____
Address: _____
_____
Email: _____

_____
«Guarantor2»
Name: _____
Address: _____
_____
Email: _____

[ENTITY NAME]

_____
By:
Name: _____
Title: _____
Address:_____
_____
Email: _____

EXHIBIT B-2

Amendment To
The Holiday Hospitality Franchising, LLC
Voco Hotels License Agreement Pursuant To
The California Department of Financial Protection and Business Oversight

Notwithstanding anything to the contrary set forth in the above License Agreement ("License"), the following provisions shall supersede and apply to each License for a Voco Hotel issued in the State of California:

1. In accordance with the provisions under the U.S. Bankruptcy Code (11 U.S.C.A. Sec. 101 et seq.), paragraphs 11.C(1)(b) and (d) of the License shall be amended to include the following language: "Enforceability of this provision is a matter governed by the US Bankruptcy Code and enforceability or nonenforceability is subject to that law and rulings of a court of competent jurisdiction."

2. California Business and Professions Code Sections 20000 through 20043 provide rights to the Licensee concerning termination or non-renewal of a License. If the License contains a provision that is inconsistent with the law, the law will control.

3. The License contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable,

4. The License and Guaranty require application of the laws of Georgia. In accordance with 5050.23 Sec. 310.114.1(c)(5)(B)(v), this provision may not be enforceable under California law.

5. With respect to franchises sold in California, a franchisor is prohibited from modifying a franchise agreement, or requiring a general release, in exchange for any assistance related to a declared state or federal emergency.

6. This Amendment may be executed in counterparts, which together shall constitute one and the same instrument. Signatures via Conga Sign, DocuSign, .PDF file, facsimile, or other electronic format have the same force and effect as originals.

Date: _____

Licensee:

«EntityAllCaps»

By: _____
«AuthorizedSignee»
«SigneesTitle»

IHG:

HOLIDAY HOSPITALITY FRANCHISING, LLC

By: Six Continents Hotels, Inc.,
its sole managing member

By:_____
Jenny Tidwell
Vice President
Franchise Licensing and Compliance

Amendment To
The Holiday Hospitality Franchising, LLC
Voco Hotels License Agreement Pursuant To
Section 482E-3 of Hawaii Revised Statutes

Notwithstanding anything to the contrary set forth in the above License Agreement ("License"), the following provision shall supersede and apply to each License for a Voco Hotel issued in the State of Hawaii:

1. Section 13.I of the License is amended to include the following: "The general release language contained in the License shall not relieve IHG or any other person, directly or indirectly, from liability imposed by the laws concerning franchising in the State of Hawaii."

2. In accordance with the provision under the U.S. Bankruptcy Code (11 U.S.C.A. Sec. 101 et seq.), paragraphs 11.C(1)(b) and (d) of the License shall be amended to include the following language: "Enforceability of this provision is a matter governed by the U.S. Bankruptcy Code and enforceability or nonenforceability is subject to that law and rulings of a court of competent jurisdiction."

3. Hawaii Revised Statutes Section 482E-1 provides rights to the Licensee concerning termination or non-renewal of a License. If the License contains a provision that is inconsistent with the law, the law will control.

4. This Amendment may be executed in counterparts, which together shall constitute one and the same instrument. Signatures via Conga Sign, DocuSign, .PDF file, facsimile, or other electronic format have the same force and effect as originals.

Date: _____

Licensee:

«EntityAllCaps»

By: _____
«AuthorizedSignee»
«SigneesTitle»

IHG:

HOLIDAY HOSPITALITY FRANCHISING, LLC

By: Six Continents Hotels, Inc.,
its sole managing member

By:_____
Jenny Tidwell
Vice President
Franchise Licensing and Compliance

Amendment To
The Holiday Hospitality Franchising, LLC
Voco Hotels License Agreement Pursuant To
The Maryland Franchise Registration And Disclosure Law

Notwithstanding anything to the contrary set forth in the above License Agreement ("License"), the following provisions shall supersede and apply to each License for a Voco Hotel issued in the State of Maryland:

1. In accordance with the provision under the U.S. Bankruptcy Code (11 U.S.C.A. Sec. 101 et seq.), paragraphs 11.C(1)(b) and (d) of the License shall be amended to include the following language: “Enforceability of this provision is a matter governed by the U.S. Bankruptcy Code and enforceability or nonenforceability is subject to that law and rulings of a court of competent jurisdiction."

2. Section 13.I of the License is amended to include the following: "The general release language contained in the License shall not relieve IHG or any other person, directly or indirectly, from liability imposed by the laws concerning franchising in the State of Maryland.”

2. The provisions of the License which permits all suits to be filed in Georgia is hereby deleted for residents of the State of Maryland and/or franchises to be operated in the State of Maryland.

3. Any claims arising under the Maryland Franchise Registration and Disclosure Laws must be brought within three years after the grant of the License.

4. 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, any statement, questionnaire, or acknowledgment in the License Agreement that is not permitted under the Interpretive Opinion is deleted in its entirety and shall have no force or effect.

Date:_____

Licensee:

«EntityAllCaps»

By: _____
«AuthorizedSignee»
«SigneesTitle»

IHG:

HOLIDAY HOSPITALITY FRANCHISING, LLC

By: Six Continents Hotels, Inc.,
its sole managing member

By:_____
Jenny Tidwell
Vice President
Franchise Licensing and Compliance

Amendment To
The Holiday Hospitality Franchising, LLC
Voco Hotels License Agreement Pursuant To
The North Dakota Investment Franchise Law

Notwithstanding anything to the contrary set forth in the above License Agreement ("License"), the following provisions shall supersede and apply to each License for a Voco Hotel issued in the State of North Dakota:

1. The laws of the State of North Dakota supersede any provisions of the License, or Georgia law, if such provisions are in conflict with such North Dakota laws.

2. Liquidated damages and termination penalty provisions are deleted from the License Agreement to the extent they are prohibited by the laws of the State of North Dakota.

3. Section 13.I of the License is amended to include the following: "The general release language contained in the License shall not relieve IHG or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of North Dakota."

4. In accordance with the provision under the U.S. Bankruptcy Code (11 U.S.C.A. Sec. 101 et seq.), paragraphs 11.C(1)(b) and (d) of the License shall be amended to include the following language: “Enforceability of this provision is a matter governed by the U.S. Bankruptcy Code and enforceability or nonenforceability is subject to that law and rulings of a court of competent jurisdiction."

5. Any provision in the License which designates jurisdiction or venue or requires the Licensee to agree to jurisdiction or venue, in a forum outside of North Dakota, is deleted from Licenses issued in the State of North Dakota. The site of any arbitration will be agreeable to all parties.

Date:_____

Licensee:

«EntityAllCaps»

By: _____
«AuthorizedSignee»
«SigneesTitle»

IHG:

HOLIDAY HOSPITALITY FRANCHISING, LLC

By: Six Continents Hotels, Inc.,
its sole managing member

By:_____
Jenny Tidwell
Vice President
Franchise Licensing and Compliance

Amendment To
The Holiday Hospitality Franchising, LLC
Voco Hotels License Agreement Pursuant To
The Rhode Island Franchise And Distributorship Act

Notwithstanding anything to the contrary set forth in the above License Agreement ("License"), the following provisions shall supersede and apply to each License fora Voco Hotel issued in the State of Rhode Island:

1. In accordance with the provision under the U.S. Bankruptcy Code (11 U.S.C.A. Sec. 101 et seq.), paragraphs 11.C(1)(b) and (d) of the License shall be amended to include the following language: “Enforceability of this provision is a matter governed by the U.S. Bankruptcy Code and enforceability or nonenforceability is subject to that law and rulings of a court of competent jurisdiction."

2. Section 19-28.14 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 provision will also apply to the Guaranty.

3. Any provision in the License which designates the governing law as that of any state other than the State of Rhode Island is deleted from Licenses issued in the State of Rhode Island.

4. This Amendment may be executed in counterparts, which together shall constitute one and the same instrument. Signatures via Conga Sign, DocuSign, .PDF file, facsimile, or other electronic format have the same force and effect as originals.

Date:_____

Licensee:

«EntityAllCaps»

By: _____
«AuthorizedSignee»
«SigneesTitle»

IHG:

HOLIDAY HOSPITALITY FRANCHISING, LLC

By: Six Continents Hotels, Inc.,
its sole managing member

By:_____
Jenny Tidwell
Vice President
Franchise Licensing and Compliance

Amendment To
The Holiday Hospitality Franchising, LLC
Voco Hotels License Agreement Pursuant To
The Virginia Retail Franchising Act

Notwithstanding anything to the contrary set forth in the above License Agreement ("License"), the following provisions shall supersede and apply to each License for a Voco Hotel issued in the State of Virginia:

1. In accordance with the provision under the U.S. Bankruptcy Code (11 U.S.C.A. Sec. 101 et seq.), paragraphs 11.C(1)(b) and (d) of the License Agreement shall be amended to include the following language: “Enforceability of this provision is a matter governed by the U.S. Bankruptcy Code and enforceability or nonenforceability is subject to that law and rulings of a court of competent jurisdiction."

2. The Virginia Code Sections 13.1-557-574-13.1-564 provide: “It shall be unlawful for a franchisor to cancel a franchise without reasonable cause or to use undue influence to induce a franchisee to surrender any right given to it by any provision contained in the franchise.” If any ground for default or termination stated in the License does not constitute “reasonable cause,” as that term may be defined in the Virginia Code, that provision may not be enforceable.

3. This Amendment may be executed in counterparts, which together shall constitute one and the same instrument. Signatures via Conga Sign, DocuSign, .PDF file, facsimile, or other electronic format have the same force and effect as originals.

Date:_____

Licensee:

«EntityAllCaps»

By: _____
«AuthorizedSignee»
«SigneesTitle»

IHG:

HOLIDAY HOSPITALITY FRANCHISING, LLC

By: Six Continents Hotels, Inc.,
its sole managing member

By:_____
Jenny Tidwell
Vice President
Franchise Licensing and Compliance

Amendment To
The Holiday Hospitality Franchising, LLC
Voco Hotels License Agreement Pursuant To
The Washington Franchise Investment Protection Act

Notwithstanding anything to the contrary set forth in the above License Agreement ("License"), the following provisions shall supersede and apply to each License for a Voco Hotel issued in the State of Washington:

1. If any of the provisions in the franchise disclosure document or license agreement are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the inconsistent provisions of the franchise disclosure document and license agreement with regard to any license sold in Washington.

2. Nothing in the License shall prevent the licensee from bringing an action in Washington courts to the extent that such actions are provided for under the Washington Franchise Investment Protection Act.

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

4. The state of Washington has a statute, RCW 19.100.180 which may supersede the Franchise Agreement in your relationship with the Franchisor including the areas of termination and renewal of your license. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the Franchisor including the areas of termination and renewal of your license.

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

6. The Licensor will have no obligation upon the termination of the License Agreement to offer the Franchisee a continued right to operate its Voco Business, and the Franchisee may be required at that time to stop operating its hotel as a Voco Hotel and to comply with all post-termination obligations.

7. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a licensee, 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 licensee 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 license agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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

Date:

Licensee:

«EntityAllCaps»

By: _____
«AuthorizedSignee»
«SigneesTitle»

IHG:

HOLIDAY HOSPITALITY FRANCHISING, LLC

By: Six Continents Hotels, Inc.,
its sole managing member

By:_____
Jenny Tidwell
Vice President
Franchise Licensing and Compliance

EXHIBIT C-1

EXHIBIT D

AGENTS FOR SERVICE OF PROCESS

CALIFORNIA

California Commissioner Of The Department
Of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(866) 275-2677

CT Corporation System
818 West 7th Street
Suite 1004
Los Angeles, California 90017

HAWAII

Commissioner of Securities of the
State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

INDIANA

Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

ILLINOIS

Attorney General of the State of Illinois
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

MARYLAND

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020
(410) 576-6360

MICHIGAN

Michigan Department of Commerce
Corporations and Securities Bureau
670 Williams Building
525 W. Ottawa Street
Lansing, Michigan 48913

MINNESOTA

Commissioner of Securities
Department of Commerce
85 7th Place East
Suite 280
St. Paul, Minnesota 55101-2198

NEW YORK

New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, NY 12231
(518) 473-2492

NORTH DAKOTA

Securities Commissioner, State of North Dakota
600 East Boulevard, Fifth Floor
Bismarck, North Dakota 58505

RHODE ISLAND

Director of Department of Business Regulation
1511 Pontiac Avenue
John O. Pastore Complex – Building 69-1
Cranston, Rhode Island 02920

SOUTH DAKOTA

Department of Labor and Regulation
Division of Insurance
Securities Regulation
124 S Euclid, Suite 104
Pierre SD 57501
(605) 773-3563

VIRGINIA

Clerk of the State Corporation Commission
1300 East Main Street
Richmond, Virginia 23219
(804-371-9051)

WASHINGTON

Director of the Securities Division
Department of Financial Institutions
150 Israel Rd. SW
Tumwater, WA 98501
(360) 902-8760

WISCONSIN

Commissioner of Securities
201 W. Washington Avenue – Third Fl.
Madison, Wisconsin 53703

EXHIBIT D-1

EXHIBIT E

STATE FRANCHISE ADMINISTRATORS

CALIFORNIA

California Commissioner Of The Department
Of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344

HAWAII

Commissioner of Securities of the
State of Hawaii
Dept. of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

ILLINOIS

Franchise Division
Office of Attorney General
State of Illinois
500 South Second Street
Springfield, Illinois 62706

INDIANA

Franchise Section
Indiana Securities Commission
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204

MARYLAND

Maryland Division of Securities
Office of the Attorney General
200 St. Paul Place
Baltimore, Maryland 21202-2020

MICHIGAN

Consumer Protection Division
Antitrust and Franchise Unit
Michigan Department of Attorney General
670 Williams Building
525 W. Ottawa Street
Lansing, Michigan 48913

MINNESOTA

Minnesota Department of Commerce
Securities-Franchise Registration
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198

NEW YORK

NYS Department of Law
Investor Protection Bureau
28 Liberty St. 21st Fl.
New York, New York 10005

NORTH DAKOTA

North Dakota Securities Department
600 East Boulevard, Fifth Floor
Bismarck, North Dakota 58505

RHODE ISLAND

Division of Securities
1511 Pontiac Avenue
John O. Pastore Complex – Building 69-1
Cranston, Rhode Island 02920

SOUTH DAKOTA

Department of Labor and Regulation
Division of Insurance
Securities Regulation
124 S Euclid, Suite 104
Pierre SD 57501
(605) 773-3563

VIRGINIA

State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219

WASHINGTON

Securities Division
Department of Financial Institutions
150 Israel Rd. SW
Tumwater, WA 98501
(360) 902-8760

WISCONSIN

Securities and Franchise Registration
Wisconsin Securities Commission
201 W. Washington Avenue – Third Fl.
Madison, Wisconsin 53703

EXHIBIT E1-1

EXHIBIT E1

SIGNED AGREEMENTS, BUT HOTELS NOT YET OPENED AS OF DECEMBER 31, 2024

voco - 4-15-25 FDD (204)

Brand Organization	Entity	Hotel Name	Hotel Address 1	Hotel City	Hotel State	Hotel Zip Code
voco	MVI Investments, LLC	Flagstaff	2735 S Woodlands Village Boulevard	Flagstaff	AZ	86001
voco	Investment Resources Corporation	Oceanside	815 County Hwy S21	Oceanside	CA	92054
voco	Investel Two LLC	Pomona (La Quinta CV)	3200 W Temple Ave	Pomona	CA	91768
voco	Stay Cal Sunnyvale, LLC	Ardez Hotel Sunnyvale	1101 Elko Drive Sunnyvale	San Jose	CA	94089
voco	TAMPA HOTEL OMV LLC	South Tampa – Tahitian Inn	601 S. Dale Mabry Highway	Tampa	FL	33609
voco	JF Wild LLC	Indianapolis Dwtn (JF Wild)	129 E Market Street	Indianapolis	IN	46204
voco	Endeavor Hospitality LLC	Albuquerque Midtown NM	900 Medical Arts Ave NE	Albuquerque	NM	87102
voco	DK Hotel Management LLC	Santa Fe (El Celeste Hotel)	2900 Cerrillos Road	Santa Fe	NM	87507
voco	Frumos LLC	Astoria	30-17 31st Street	Astoria	NY	11102
voco	711 Seventh Hotel Associates LLC	Times Square	711 7th Avenue	New York	NY	10036
voco	HCM Shelby LLC	The Shelby - Myrtle Beach	1802 North Ocean Boulevard	Myrtle Beach	SC	29577
voco	Pelican Hospitality, LLC	Pigeon Forge	115 Sugar Hollow Road	Pigeon Forge	TN	37863
voco	CS Real Estate Holdings LLC	Aggieland Boutique Hotel	1508 Texas Avenue S.	College Station	TX	77840
voco	Delicate Arch Lodging, LLC	Moab	1421 S Hwy 191	Moab	UT	84532

EXHIBIT E2-1

The following franchisees have had an outlet terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the License as of December 31, 2024, or who have not communicated with Holiday within 10 weeks of the applicaton date. If you buy this fanchise, your contact information may be disclosed to other buyers when you leave the franchisor system.

voco	FL	Evoke Destin Hotel	Mitul Vasant Patel	615-277-1111	Transfer

Between December 31, 2024 and April 1, 2025, the following franchisees have had an outlet terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the License, or who have not communicated with Holiday within 10 weeks of the application date.

None.

EXHIBIT F1-1

Financial Statements

Holiday Hospitality Franchising, LLC
Years Ended December 31, 2024, 2023 and 2022
With Report of Independent Auditors

Holiday Hospitality Franchising, LLC

Financial Statements

Years Ended December 31, 2024, 2023 and 2022

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Statements of Cash Flows.....6
Notes to Financial Statements.....7

pwc

Report of Independent Auditors

To the Management of Holiday Hospitality Franchising, LLC

Opinion

We have audited the accompanying financial statements of Holiday Hospitality Franchising, LLC (the "Company"), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of operations, of member's equity and of cash flows for each of the three years in the period ended December 31, 2024, including 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 the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 US 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 US GAAS, we:

PricewaterhouseCoopers LLP, 1075 Peachtree Street NE, Atlanta, Georgia 30309
T: (678) 419 1000, www.pwc.com/us

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

PricewaterhouseCoopers LLP

Atlanta, Georgia
April 15, 2025

Holiday Hospitality Franchising, LLC

Balance Sheets

	December 31	
	2024	**2023**
Assets		
Current assets:		
Cash and cash equivalents	**$ –**	$ 373
Accounts receivable	**83,002,153**	73,947,588
Contract assets	**10,766,230**	10,133,532
Receivables from affiliates *(Note 4)*	**10,527,750**	6,435,118
Total current assets	**104,296,133**	90,516,611
Line of credit due from affiliate *(Note 5)*	**770,598,016**	702,142,525
Master license agreement	**682,692**	682,692
Contract assets	**164,912,138**	125,509,990
Total assets	**$ 1,040,488,979**	$ 918,851,818
Liabilities and member's equity		
Current liabilities:		
Accounts payable and accrued expenses	**$ 74,000**	$ 70,000
Deferred revenue	**794,207**	4,696,835
Payables to affiliates *(Note 4)*	**213,121,319**	155,172,017
Total current liabilities	**213,989,526**	159,938,852
Deferred revenue	**7,344,774**	7,281,275
Total liabilities	**221,334,300**	167,220,127
Member's equity	**819,154,679**	751,631,691
Total liabilities and member's equity	**$ 1,040,488,979**	$ 918,851,818

See accompanying notes.

Holiday Hospitality Franchising, LLC

Statements of Operations

	Year Ended December 31		
	2024	**2023**	**2022**
Revenues:			
Franchise royalty fees *(Note 3)*	**$ 37,792,172**	$ 25,626,433	$ 24,665,131
Franchise royalty fees from affiliate *(Note 4)*	**57,388**	50,496	44,847
OLCC fees *(Note 2)*	**1,595,317**	1,572,723	1,380,619
Total revenues	**39,444,877**	27,249,652	26,090,597
Expenses:			
Release for expected credit losses	**–**	–	(11,930,910)
Other	**75,619**	4,251	(38,571)
Total expenses	**75,619**	4,251	(11,969,481)
Income from operations	**39,369,258**	27,245,401	38,060,078
Other (expense) income:			
Miscellaneous expense	**(1,118)**	(1,852)	(1,818)
Foreign transaction loss	**(1,397,938)**	(691,750)	(7,848,878)
Interest income	**63,867**	51,460	51,370
Interest income from affiliate *(Note 5)*	**29,591,411**	27,815,534	13,274,848
Income before taxes	**67,625,480**	54,418,793	43,535,600
Foreign withholding taxes	**102,492**	115,371	86,459
Net income	**$ 67,522,988**	$ 54,303,422	$ 43,449,141

See accompanying notes.

Holiday Hospitality Franchising, LLC

Statements of Member's Equity

Balance at December 31, 2021	$	653,879,128
Net income		43,449,141
Balance at December 31, 2022		697,328,269
Net income		54,303,422
Balance at December 31, 2023		751,631,691
Net income		**67,522,988**
Balance at December 31, 2024	**$**	**819,154,679**

See accompanying notes.

Holiday Hospitality Franchising, LLC

Statements of Cash Flows

	Year Ended December 31		
	2024	**2023**	**2022**
Operating activities			
Net income	**$ 67,522,988**	$ 54,303,422	$ 43,449,141
Reconciliation of net income to net cash provided by operating activities:			
Contract assets deduction in revenue *(Note 3)*	**589,313**	11,699,506	9,750,037
Accrued but unpaid interest on line of credit due from affiliate	**(29,591,411)**	(27,815,534)	(13,274,848)
Release for expected credit losses	**–**	–	(11,930,910)
Changes in assets and liabilities:			
Accounts receivable	**(9,054,565)**	(1,832,448)	781,783
Deferred revenue	**(120,835)**	(62,076)	378,967
Accounts payable and accrued expenses	**4,000**	5,000	2,997
Receivables from affiliates	**(16,292,632)**	27,173,553	(2,447,494)
Payables to affiliates	**$ 25,806,849**	11,670,366	(29,063,755)
Net cash provided by (used in) operating activities	**$ 38,863,707**	75,141,789	(2,354,082)
Investing activities			
Net amounts (provided) repaid under line of credit due from affiliate	**$ (38,864,080)**	(75,141,564)	2,353,764
Net cash (used in) provided by investing activities	**$ (38,864,080)**	(75,141,564)	2,353,764
Net (decrease) increase in cash and cash equivalents	**(373)**	225	(318)
Cash and cash equivalents:			
Beginning of year	**$ 373**	148	466
End of year	**$ –**	$ 373	$ 148
Supplemental disclosure of noncash operating activities			
Payment for franchise agreements by an affiliated entity	**40,327,200**	25,381,500	33,131,000
Proceeds from disposals of contract assets received from an affiliated entity	**$ –**	$ (440,348)	$ (144,907)

See accompanying notes.

Holiday Hospitality Franchising, LLC

Notes to Financial Statements

December 31, 2024

1. Description of the Business and Basis of Presentation

Organization

Holiday Hospitality Franchising, LLC (the "Company") is a wholly owned subsidiary of InterContinental Hotels Group PLC (UK) (the "Parent") through InterContinental Hotels Limited (UK), Six Continents Limited (UK), Six Continents Hotels International Limited (UK), InterContinental (PB) 3 Limited (UK), InterContinental Hotels Group Operating Corp. (Delaware), Inter-Continental Hotels Corporation (Delaware), and Six Continents Hotels, Inc. (Delaware), its immediate parent.

On January 1, 2024, the Company entered into the ninth amended and restated master license agreement with Six Continents Hotels, Inc., formerly known as Bass Hotels & Resorts, Inc. The master license agreement (the "Agreement") grants the Company the nonexclusive right to operate and license throughout the United States, Canada, and certain countries of the Caribbean systems designed to provide distinctive, high-quality lodging services to the public under Six Continents Hotels, Inc.'s brand names as described in Note 2 (the "Systems"). The Agreement has a constantly renewing 25-year term. The Company retained all nonexclusive rights granted under the original Agreement. Pursuant to the Agreement, the Company pays 95% of all royalty and royalty-related fees received by the Company, net of 95% of contract asset amortization (see Note 3), and 100% of all services contributions and other fees to Six Continents Hotels, Inc. All Company operating and administrative expenses are provided for by Six Continents Hotels, Inc. under the terms of the Agreement. Since 1 January 2022, the credit risk relating to royalty and royalty-related fees is borne by Six Continents Hotels, Inc.

Holiday Hospitality Franchising, LLC

Notes to Financial Statements (continued)

1. Description of the Business and Basis of Presentation (continued)

Basis of Presentation

The Company does not own or consolidate any other entity and is a wholly owned subsidiary of Six Continents Hotels, Inc. The Company's ultimate parent and controlling party is InterContinental Hotels Group PLC ("IHG" or the "Parent"). The financial statements are not necessarily indicative of the financial position, results of operations, and cash flows that might have occurred had the Company been a stand-alone entity not integrated into IHG's other operations.

The Company's financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America. All assets, liabilities, revenues and expenses in the accompanying financial statements have been derived from the separate records maintained by the Company with the exception of the allocation of certain expenses incurred by affiliated companies and the allocation of certain expenses from the Parent. Such allocations are not intended to represent the costs that would be or would have been incurred if the Company were a stand-alone operation.

2. Summary of Significant Accounting Policies

Use of Estimates

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

Cash and Cash Equivalents

Cash and cash equivalents include short-term, interest-bearing securities with original maturities of less than three months.

2. Summary of Significant Accounting Policies (continued)

Allowance for Credit Losses

Accounts receivable arise from sales to a large number of customers. Accounts receivable are recorded at their original amount. Pursuant to the eighth amended and restated master license agreement with Six Continents Hotels, Inc., from January 1, 2022, the allowance for any expected lifetime credit losses is attributable to the Company's parent and is not included in the Company's financial statements. As such, the balance of the allowance for expected credit losses at December 31, 2021 of $11,930,910 was released to the income statement in the year ended December 31, 2022. There is no change as a result of recent amendments in the Agreement dated January, 1 2024.

Allowance for credit losses at December 31, 2021	**$ 11,930,910**
Release for expected credit losses on January 1, 2022	(11,930,910)
Allowance for credit losses at December 31, 2022, 2023 and 2024	**$ 0**

Master License Agreement

The Company accounts for the Agreement in accordance with Accounting Standards Codification (ASC) Topic 350-30, *General Intangibles Other than Goodwill*. In accordance with ASC 350-30-35-18, indefinite-lived intangible assets are reviewed annually for impairment. The Company has not recognized any impairment losses in respect of the Agreement for the years ended December 31, 2024, 2023, and 2022.

Revenue Recognition

Revenue is recognized at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer.

The Company disaggregates revenue from contracts with customers by type of agreement, being franchise royalty fees and Orange Lake Country Club, Inc. (OLCC) fees, reflecting the differing nature, amount, timing and uncertainty of related revenue and cash flows. All fee revenue arises from the transfer of services to customers over time.

Holiday Hospitality Franchising, LLC

Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Fee Business Revenue

The Company's business comprises the franchising of hotels and resorts primarily under the following brands: Crowne Plaza, Holiday Inn, Holiday Inn Express, Staybridge Suites, Candlewood Suites, Hotel Indigo, EVEN Hotels, avid hotels, voco, Vignette Collection, Atwell Suites and Garner.

Under franchise agreements, the Company's performance obligation is to provide a license to use the Company's trademarks and other intellectual property. Franchise royalty fees are typically charged as a percentage of hotel gross rooms revenues and are treated as variable consideration, recognized as the underlying hotel revenues occur. Franchise royalty fees also include any liquidated damage settlements the Company receives from franchisees that terminate arrangements prior to expiration.

Application and re-licensing fees are not considered to be distinct from the franchise service and are recognized over the life of the related contract.

Under the Agreement, the Company is deemed to be acting as agent in the provision of these services and, as such, nets 95% of the license cost and contract asset amortization against revenue and reports a royalty fee equal to the 5% commission it earns through the Agreement.

The number of franchised hotels in operation during the year ended December 31, 2024, 2023 and 2022 is as follows:

	2024	**2023**	**2022**
		(Unaudited)	
Franchised hotels at beginning of year	**3,974**	3,926	3,861
New franchises	**126**	87	93
Franchises removed	**(54)**	(39)	(28)
Franchised hotels at end of year	**4,046**	3,974	3,926

2. Summary of Significant Accounting Policies (continued)

Revenue recognition (continued)

OLCC Fees

On September 10, 2008, the Company entered into a Master Development and Sales and Marketing Licensing Agreement with OLCC and Global Access Exchange, LLC, a wholly owned subsidiary of OLCC, an unrelated party. Under that agreement and subsequent amendments, the Company licenses the Holiday Inn Club Vacation trademark to OLCC to allow the development of Holiday Inn-branded time-share resorts and the selling of time-share membership interests thereto under the Holiday Inn Club Vacation name. The agreement gives OLCC exclusive development rights for Holiday Inn-branded time-share resorts, subject to OLCC achieving certain development requirements. The current agreement, effective March 14, 2019, has a term of 100 years until December 31, 2118. Any time-share resort branded as a Holiday Inn Club Vacation time-share resort would be the subject of a separate site license agreement.

OLCC fees include a monthly payment by the time-share resorts equal to a percentage of the sales price for qualified time-share sales. In addition, OLCC fees include recurring monthly fees based on a percentage of gross rooms revenue for certain rooms used for transient reservations at the time-share resorts, subject to a minimum annual payment to the Company. OLCC fee revenue, being the 5% commission retained by the Company, is treated as variable consideration and recognized as the underlying time-share and room revenues occur. The Company recognized $1.6 million, $1.6 million and $1.4 million in fees from OLCC during the years ended December 31, 2024, 2023 and 2022, respectively.

Contract Assets

Amounts paid to hotel owners to secure franchise agreements ("key money") are treated as consideration payable to a customer. A contract asset is recorded which is recognized as a deduction to franchise royalty fee revenue over the initial term of the agreement. Typically, contract assets are not financial assets as they represent amounts paid at the beginning of a contract, and so are tested for impairment based upon future cash flows rather than with reference to expected credit losses. Contract assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If the estimated undiscounted cash flows, are less than carrying value, an impairment loss is charged to the income statement based on the difference between the carrying value and the estimated fair value. Fair value is based on estimated discounted future cash flows. No impairment loss was recognized in any of the years ended December 31, 2024, 2023 or 2022.

Holiday Hospitality Franchising, LLC

Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Fair Value of Financial Instruments

The carrying value of cash and cash equivalents and accounts receivable approximates fair value due to the nature and short-term maturities of these instruments. These financial instruments are all non-interest bearing.

Due to the nature of the line of credit and the interest rate charged to its affiliate, the fair value of the instrument approximates its carrying value. Interest is accrued on the line of credit at the IRS applicable federal interest rate, compounded quarterly. There are no fees or related costs received in respect of the line of credit.

Income Taxes

The Company is not required to file a separate tax return as it is a limited liability company treated as a disregarded entity for federal and state income tax purposes with all income tax liabilities and/or benefits of the Company being passed through to the members. The Company is included in the consolidated federal income tax return of InterContinental Hotels Group Operating Corp.,its ultimate U.S. parent company. As such, no recognition of federal or state income taxes for the Company has been provided for in the accompanying financial statements.

3. Franchise Royalty Fees

The Company is deemed to be acting as an agent in the provision of services and, as such, nets 95% of the license cost and contract asset amortization against revenue and reports a franchise royalty fee equal to the 5% commission it earns through the Agreement (see Note 2).

In some instances, the Company will pay, via an affiliate (see Note 4), amounts to hotel owners to secure franchise agreements, classified as ‘contract assets’ in the balance sheets. Until December 31, 2023, 100% of amortization on contract assets was recorded as a revenue deduction within the Company’s Income Statement. Franchise royalty revenue was reduced by $11.7 million and $9.8 million for the years ended December 31, 2023 and 2022, respectively. As a result of amendments to the Agreement on January 1, 2024, 95% of contract asset amortization is passed to Six Continents Hotels, Inc. for 2024, consistent with the treatment of the license cost. Accordingly, Franchise royalty revenue was reduced by $0.6m for the year ended December 31, 2024.

Holiday Hospitality Franchising, LLC

Notes to Financial Statements (continued)

3. Franchise Royalty Fees (continued)

A reconciliation of gross to net revenue is as follows:

	Year ended December 31,		
	2024	**2023**	**2022**
Royalty fees under franchise agreements	**$ 767,629,704**	$ 746,518,796	$ 695,230,885
Amounts transferred to affiliate under the Agreement	**(729,248,219)**	(709,192,857)	(660,815,717)
Net revenue under the Agreement	**38,381,485**	37,325,939	34,415,168
Contract assets deduction in revenue	**(589,313)**	(11,699,506)	(9,750,037)
Franchise royalty fees	**$ 37,792,172**	$ 25,626,433	$ 24,665,131

4. Related-Party Transactions

Six Continents Hotels, Inc. maintains certain marketing, reservation, and loyalty programs for the benefit of the Systems. Pursuant to the Agreement, all Company assessments to franchisees relating to these programs are remitted to Six Continents Hotels, Inc. Such amounts are not reflected in franchise royalty fees (see Note 3). All amounts due to or from affiliates, other than a line of credit from an affiliate (see Note 5), are non-interest-bearing and have no stated maturity date.

Net payables to affiliates included in the balance sheets are $202.6 million and $148.7 million at December 31, 2024 and 2023, respectively. These current amounts are of a working capital nature. Receivables from affiliates are considered to be fully recoverable on the basis of the Group's creditworthiness (see Note 5).

An affiliated company has made commitments to pay key money on behalf of the Company. During the years ended December 31, 2024, 2023 and 2022, contract assets, net of disposals, totaling $40.3 million, $24.9 million and $33.0 million, respectively, were paid for by an affiliated entity.

5. Line of Credit Due from Affiliate

The line of credit facility is currently $1.0 billion with a maturity date of 31 March 2027 and accrues interest at the IRS applicable federal interest rate compounded monthly. As of December 31, 2024 and 2023, $770.6 million and $702.1 million, respectively, remained receivable from Six Continents Hotels, Inc. These amounts include interest receivable. During the years ended December 31, 2024, 2023 and 2022, $29.6 million, $27.8 million and $13.3 million, respectively, were recognized as interest income on the line of credit. There have been no related fees and costs incurred on the line of credit in any of the years. On the maturity date, the entire outstanding principal balance, together with all accrued and unpaid interest, are due and payable in full.

Six Continents Hotels, Inc., is a wholly owned subsidiary of InterContinental Hotels Group PLC ("the Group"). The credit risk is judged to be low on the basis of the funds available within the Group, and its intention to make funds available to enable Six Continents Hotels, Inc. to meet its liabilities as they fall due for a period of at least 12 months from the date of issuance of these financial statements. The amount due on the line of credit is considered to be fully recoverable.

6. Financial Risk Management

The Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of each financial asset. Credit risk is minimized by operating a policy on the investment of surplus cash that generally restricts counterparties to those with a BBB- credit rating or better or those providing adequate security. The Group uses long-term credit ratings from S&P, Moody's and Fitch Ratings as a basis for setting its counterparty limits.

Information on the Group's treasury management policies, including information on covenants and debt facilities; processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to liquidity risk and credit risk is also given in the Annual Report and Form 20-F 2024.

7. Commitments and Contingencies

In the normal course of business, the Company is subject to certain claims and litigation, including unasserted claims. The Company, based on its current knowledge and discussions with its legal counsel, is of the opinion that such matters will not have a material adverse effect on the financial position or results of operations or cash flows of the Company.

Holiday Hospitality Franchising, LLC

Notes to Financial Statements (continued)

8. Subsequent Events

All subsequent events through April 15, 2025, the date these financial statements were available for issuance, have been evaluated.

EXHIBIT F2-1

voco - 4-15-25 FDD (226)

Consolidated Financial Statements

Six Continents Hotels, Inc.
(A Wholly Owned Subsidiary of InterContinental Hotels Group PLC)
Years Ended December 31, 2024, 2023 and 2022
With Report of Independent Auditors

Six Continents Hotels, Inc.

(A Wholly Owned Subsidiary of InterContinental Hotels Group PLC)

Consolidated Financial Statements

Years Ended December 31, 2024, 2023 and 2022

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Report of Independent Auditors

To the Management of Six Continents Hotels, Inc.

Opinion

We have audited the accompanying consolidated financial statements of Six Continents Hotels, Inc. and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of net income, of comprehensive income, of changes in parent's investment and of cash flows for each of the three years in the period ended December 31, 2024, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial

likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

PricewaterhouseCoopers LLP

Atlanta, Georgia
April 15, 2025

Six Continents Hotels, Inc.
(A Wholly Owned Subsidiary of InterContinental Hotels Group PLC)

Consolidated Balance Sheets
(In Thousands)

	December 31 2024	December 31 2023
Assets		
Current assets:		
Cash and cash equivalents	**$ 49,317**	$ 63,805
Restricted cash	**382**	2,210
Accounts receivable, less allowance for expected credit losses of $53,457 and $44,963 at December 31, 2024 and 2023, respectively	**393,731**	350,486
Receivables from affiliates *(Note 13)*	**231,752**	176,120
Pension assets *(Note 9)*	**–**	250
Contract assets	**20,005**	18,178
Contract costs	**2,811**	2,731
Net investment in subleases *(Note 6)*	**2,418**	1,463
Current investments in unconsolidated entities *(Note 10)*	**3,513**	–
Prepaid and other current assets	**97,399**	79,950
Total current assets	**801,328**	695,193
Investments in unconsolidated entities *(Note 10)*	**206,939**	181,087
Deferred compensation plan investments	**285,953**	249,969
Property and equipment, net *(Note 3)*	**431,771**	493,445
Operating lease right-of-use assets, net *(Note 6)*	**46,384**	52,209
Goodwill and intangible assets, net *(Note 5)*	**1,698,486**	1,703,043
Contract assets	**343,879**	254,176
Contract costs	**54,190**	49,357
Notes receivable *(Note 11)*	**33,999**	23,201
Net investment in sublease *(Note 6)*	**5,074**	4,359
Other assets	**13,185**	1,431
	$ 3,921,188	$ 3,707,470
Liabilities and Parent's Investment		
Current liabilities:		
Accounts payable	**$ 84,335**	$ 93,351
Accrued expenses	**224,933**	240,290
Loyalty program deferred revenue	**660,829**	648,855
Other deferred revenue	**50,977**	53,370
Accrued pension cost *(Note 9)*	**4,343**	4,437
Payables to affiliates *(Note 13)*	**188,019**	158,435
Operating lease liabilities *(Note 6)*	**13,794**	11,770
Other payables	**47,552**	45,484
Total current liabilities	**1,274,782**	1,255,992
Finance lease obligations *(Note 6)*	**261,204**	259,118
Operating lease liabilities *(Note 6)*	**70,401**	79,658
Accrued pension cost *(Note 9)*	**40,733**	43,370
Deferred compensation plan liabilities	**285,953**	249,969
Noncurrent deferred tax liabilities, net *(Note 12)*	**215,828**	289,101
Loyalty program deferred revenue	**992,298**	880,525
Other deferred revenue	**249,967**	163,094
Other long-term liabilities	**278**	3,578
Total liabilities	**3,391,444**	3,224,405
Parent's Investment	**529,744**	483,065
	$ 3,921,188	$ 3,707,470

See accompanying notes.

Six Continents Hotels, Inc.
(A Wholly Owned Subsidiary of InterContinental Hotels Group PLC)

Consolidated Statements of Net Income
(In Thousands)

	Year Ended December 31		
	2024	**2023 Revised [1]**	**2022 Revised [1]**
Revenues			
Fee business	**$ 896,837**	$ 869,949	$ 808,297
Hotel operations	**92,579**	88,417	78,787
Other	**339,236**	304,264	264,377
System Fund and reimbursable revenues	**2,425,248**	2,280,490	1,880,587
Total revenues	**3,753,900**	3,543,120	3,032,048
Operating expenses			
Bad debt expense (release) *(Note 2)*	**9,170**	(1,988)	(3,495)
Property and other taxes, insurance and leases	**25,576**	46,084	49,435
Maintenance and repairs	**51,344**	59,588	48,991
General and administrative expenses	**574,738**	563,909	414,334
Other hotel operations	**9,038**	7,798	7,397
Mark-up cost charged by affiliated companies	**12,904**	16,240	12,684
Allocation of expenses to affiliated companies	**(155,437)**	(168,690)	(134,560)
Depreciation and amortization of software	**32,766**	33,911	36,042
Amortization of finite-lived intangible assets	**4,636**	5,734	5,088
Impairment loss	**2,466**	–	–
System Fund and reimbursable expenses	**2,506,056**	2,267,068	1,988,196
Total operating expenses	**3,073,257**	2,829,654	2,424,112
Operating income	**680,643**	713,466	607,936
Interest expense – external	**(25,746)**	(24,680)	(25,519)
Interest income from affiliates, net	**287,364**	252,394	141,160
Interest income – external	**10,840**	3,546	2,567
Income (loss) from equity method investments *(Note 10)*	**6,880**	24,698	(43,614)
Gains (losses) on securities	**28,571**	25,109	(54,174)
Other income (loss)	**804**	5,625	(5,205)
Foreign transaction gain (loss)	**3,189**	(3,922)	(3,065)
Income before income taxes	**992,545**	996,236	620,086
Provision for income taxes *(Note 12)*	**259,415**	235,566	169,574
Net income	**$ 733,130**	$ 760,670	$ 450,512

[1] Revised to reclassify unrealized gains and losses on the Rabbi Trust to net income (see Note 1).

See accompanying notes.

Six Continents Hotels, Inc.

(A Wholly Owned Subsidiary of InterContinental Hotels Group PLC)

Consolidated Statements of Comprehensive Income

(In Thousands)

	Year Ended December 31		
	2024	**2023 Revised [1]**	**2022 Revised [1]**
Net income	**$ 733,130**	$ 760,670	$ 450,512
Other comprehensive (loss) income, net of tax:			
Currency translation adjustments	**(7,760)**	2,321	2,576
Pension liability adjustments	**1,212**	(1,660)	8,787
Total other comprehensive (loss) income, net of tax	**(6,548)**	661	11,363
Comprehensive income	**$ 726,582**	$ 761,331	$ 461,875

[1] Revised to reclassify unrealized gains and losses on the Rabbi Trust to net income (see Note 1).

Six Continents Hotels, Inc.

(A Wholly Owned Subsidiary of InterContinental Hotels Group PLC)

Consolidated Statements of Changes in Parent's Investment

(In Thousands)

Balance at December 31, 2021	$ 480,384
Net income (Revised [1])	450,512
Other comprehensive income (Revised [1])	11,363
Share-based payment compensation	16,000
Change in balances with affiliates offset against Parent's Investment	(633,955)
Capital contributions related to income tax provisions	184,357
Balance at December 31, 2022	508,661
Net income (Revised [1])	760,670
Other comprehensive income (Revised [1])	661
Share-based payment compensation	22,829
Change in balances with affiliates offset against Parent's Investment	(1,060,739)
Capital contributions related to income tax provisions	250,983
Balance at December 31, 2023	483,065
Net income	**733,130**
Other comprehensive loss	**(6,548)**
Share-based payment compensation	**23,684**
Change in balances with affiliates offset against Parent's Investment	**(329,323)**
Capital contributions related to income tax provisions	**314,269**
Dividend paid to Parent	**(688,533)**
Balance at December 31, 2024	**$ 529,744**

[1] Revised to reclassify unrealized gains and losses on the Rabbi Trust to net income (see Note 1).

See accompanying notes.

Six Continents Hotels, Inc.
(A Wholly Owned Subsidiary of InterContinental Hotels Group PLC)

Consolidated Statements of Cash Flows
(In Thousands)

	Year Ended December 31		
	2024	2023 Revised[1]	2022 Revised[1]
Operating activities			
Net income	**$ 733,130**	$ 760,670	$ 450,512
Adjustments to reconciled net income to net cash provided by operating activities:			
Depreciation and amortization	**37,402**	39,645	41,130
System Fund depreciation and amortization	**77,965**	77,810	81,023
Impairment loss	**2,466**	–	–
System Fund impairment loss	**2,806**	–	–
Share-based compensation	**23,684**	22,829	16,000
(Income) loss from equity method investments	**(6,880)**	(24,698)	43,614
Contract assets deduction in revenue	**24,353**	19,399	16,507
Distributions from investments in unconsolidated entities	**1,211**	1,071	560
Other adjustments	**(8,819)**	6,168	(899)
Deferred income taxes	**(75,355)**	(32,613)	(27,203)
Changes in operating assets and liabilities:			
Accounts receivable	**(43,245)**	(52,611)	(41,730)
Contract costs	**(5,263)**	(6,842)	(3,865)
Prepaid and other assets	**(27,215)**	20,788	(33,600)
Operating lease right-of-use assets	**1,992**	1,121	2,569
Accounts payable and accrued expenses	**(22,978)**	9,813	47,685
Loyalty program deferred revenue	**123,746**	118,158	118,764
Other deferred revenue	**85,339**	1,737	(2,630)
Receivables from and payables to affiliates	**288,425**	284,575	60,934
Operating lease liabilities	**(7,155)**	(3,488)	(10,185)
Contract acquisition costs, net of repayments	**(115,851)**	(60,765)	(39,739)
Net cash provided by operating activities	**1,089,759**	1,182,767	719,447
Investing activities			
Purchases of property and equipment	**(59,838)**	(65,976)	(57,841)
Net proceeds from disposal of property and equipment	**7,849**	–	2,746
Contributions to investments in unconsolidated entities	**(23,880)**	(10,692)	(500)
Loan advances	**(7,000)**	(40,300)	–
Proceeds from disposals of investments	**–**	–	325
Payments for brand intangible	**(1,081)**	(1,466)	(469)
Net cash (used in) provided by investing activities	**(83,950)**	(118,434)	(55,739)
Financing activities			
Net settlements of Parent's Investment	**(333,591)**	(1,064,920)	(638,264)
Equity dividend paid to Parent	**(688,533)**	–	–
Net cash used in financing activities	**(1,022,124)**	**(1,064,920)**	**(638,264)**
Net (decrease) increase in cash and cash equivalents and restricted cash	**(16,315)**	(587)	25,444
Cash and cash equivalents and restricted cash at beginning of year	**66,015**	66,602	41,158
Cash and cash equivalents and restricted cash at end of year	**$ 49,699**	$ 66,015	$ 66,602
Supplemental disclosure of noncash investing and financing activities			
Capital contributions related to income tax provisions	**$ 314,269**	$ 250,983	$ 184,357
Supplemental disclosure			
Cash paid for interest	**$ 23,624**	$ 22,998	$ 20,370
Cash paid for interest from affiliates	**$ 55,752**	$ 52,218	$ 39,008

[1] Revised to reclassify unrealized gains and losses on the Rabbi Trust to net income (see Note 1)

See accompanying notes.

Six Continents Hotels, Inc.
(A Wholly Owned Subsidiary of InterContinental Hotels Group PLC)

Notes to Consolidated Financial Statements

December 31, 2024

1. Description of the Business and Summary of Significant Accounting Policies

Organization

Six Continents Hotels, Inc. (the "Company") is a Delaware company and is a wholly owned subsidiary of InterContinental Hotels Group PLC ("IHG") (the Parent) through InterContinental Hotels Limited (UK), Six Continents Limited (UK), Six Continents Hotels International Limited (UK), InterContinental (PB) 3 Limited (UK), InterContinental Hotels Group Operating Corp. (Delaware), and Inter-Continental Hotels Corporation (Delaware), its immediate parent. The Company's business comprises the ownership, leasing, managing and franchising of hotels and resorts primarily under the following brands: Crowne Plaza, Holiday Inn, Holiday Inn Express, Staybridge Suites, Candlewood Suites, Hotel Indigo, EVEN Hotels, Kimpton Hotels & Restaurants, InterContinental Hotels & Resorts, avid hotels, Atwell Suites, voco, Vignette, Garner and REGENT. The Company also earns fees from a strategic partnership with Iberostar Hotels & Resorts. The Company's principal assets are trademarks, franchise agreements, owned and leased hotels, management agreements, and equity-accounted investments. The InterContinental Hotels & Resorts brand is owned by the Company's immediate parent, Inter-Continental Hotels Corporation (Delaware), which licenses the InterContinental Hotels & Resorts brand to one of the Company's subsidiaries, Holiday Hospitality Franchising, LLC. The avid hotels, Atwell Suites, voco, Vignette and Garner brands are owned by Six Continents Limited, which licenses the brands to the Company. The Company in turn sub-licenses these brands to its subsidiary, Holiday Hospitality Franchising, LLC.

Basis of Presentation

The Company is a wholly owned subsidiary of the Parent. Accordingly, the Parent's investment in the Company (Parent's Investment on the consolidated balance sheets) is presented in lieu of stockholders' equity. The financial statements are not necessarily indicative of the financial position, results of operations, and cash flows that might have occurred had the Company been a stand-alone entity not integrated into the Parent's other operations.

Six Continents Hotels, Inc.
(A Wholly Owned Subsidiary of InterContinental Hotels Group PLC)

Notes to Consolidated Financial Statements (continued)

1. Description of the Business and Summary of Significant Accounting Policies (continued)

The financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("U.S."). All assets, liabilities, revenues and expenses in the accompanying consolidated financial statements have been derived from the separate records maintained by the Company except for the allocation of certain expenses incurred by affiliated companies (see Note 13). In certain cases, allocations do not represent the costs that would be or would have been incurred if the Company were a stand-alone operation.

Principles of Consolidation

The accompanying financial statements include the accounts of the Company and its wholly-owned and majority owned subsidiaries which are controlled by the Company. Investments in companies and partnerships in which the Company has an ownership interest and exercises significant influence are accounted for using the equity method of accounting. Under the equity method of accounting, the Company's investment is recorded at cost and adjusted by the Company's share of profits and losses. All significant intercompany accounts and transactions have been eliminated.

An impairment loss is recognized in relation to investments accounted for under the equity method of accounting when it is determined that there has been an 'other than temporary' decline in the investment's estimated fair value compared with its carrying value.

Parent's Investment

The Company is formed as a Corporation, in which the Parent wholly-owns all ten shares outstanding. Certain intercompany balances with the Parent and subsidiaries of the Parent have been included in Parent's Investment in the accompanying consolidated balance sheets (see Note 13). These balances are typically long-term in nature and interest-bearing. Receivables from and payables to affiliated companies that are considered to be of a working capital nature, including inter-region chargebacks, are shown in the accompanying consolidated balance sheets as current assets (receivables from affiliates) and current liabilities (payables to affiliates). These working capital amounts are generally non-interest-bearing.

Six Continents Hotels, Inc.
(A Wholly Owned Subsidiary of InterContinental Hotels Group PLC)

Notes to Consolidated Financial Statements (continued)

1. Description of the Business and Summary of Significant Accounting Policies (continued)

The Company holds a 41.0% interest in an affiliate, IHG International Partnership ("the Partnership"), over which the Company has no significant influence. The investment is an entity under common control within the group of entities wholly owned by the Parent ("the IHG Group"). The Company elected to apply guidance in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures* and ASC 805, *Business Combinations* to value the Partnership at cost less impairment and continue to present it within Parent's Investment in the consolidated balance sheets since all transactions were between entities under common control and the Company's initial investment did not result in a change in its net assets.

Variable Interest Entities

If an entity is determined to be a variable interest entity ("VIE"), it must be consolidated by the "primary beneficiary", being the enterprise that has the power to direct the activities of the VIE that most significantly impact the entity's economic performance, and the obligation to absorb losses of the entity that could potentially be significant to the VIE or the right to receive benefits from the entity that could potentially be significant to the VIE.

The Company's evaluation as it relates to its various forms of arrangements focuses primarily on a review of the key terms of its equity investment agreements, management and franchise agreements to determine if any of these arrangements qualify as VIEs. In general, a VIE represents a structure used for business purposes that either does not have equity investors with voting rights, has investors with disproportionately few voting rights, or that has equity investors that do not provide sufficient financial resources for the entity to support its activities.

The Company has evaluated the hotels in which it has a variable interest, generally in the form of investments, loans, guarantees, or equity. The Company determines if it is the primary beneficiary of the hotel by primarily considering qualitative factors; these include evaluating if the Company has the power to control the hotel and the obligation to absorb the losses and rights to receive the benefits that could potentially be significant to the entity. Variable interests generally exist when the Company has provided security deposits and/or performance guarantees to third party owners to secure management agreements. The Company has determined it is not the primary beneficiary of any entity in which it has a variable interest, with the exception of the Rabbi trust (see Deferred Compensation Plan Investments below), and therefore these entities are not consolidated in the Company's financial statements.

Six Continents Hotels, Inc.
(A Wholly Owned Subsidiary of InterContinental Hotels Group PLC)

Notes to Consolidated Financial Statements (continued)

1. Description of the Business and Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments with an original maturity of three months or less that are readily convertible to cash and subject to insignificant risk of changes in value.

Restricted Cash

Restricted cash comprises funds segregated in separate accounts to satisfy insurance claims.

Accounts Receivable

Accounts receivable arise from sales to a large number of customers. Accounts receivable are recorded at their original amount less an allowance for any expected lifetime credit losses. The lifetime credit losses are estimated by means of a provision matrix that is based on historical credit loss experience by region and number of days past due. For certain defined owner groups, for example those in financial distress, lifetime expected credit losses are calculated by reference to recent credit loss experience for that specific population. Management also reviews relevant past events, current conditions and reasonable and supportable forecasts about the future in order to establish whether the loss rates implied by the provision matrix should be amended. In the normal course of business, the Company extends credit generally without requiring collateral.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and any impairment charges. Expenditures for replacements and major improvements are capitalized and depreciated.

Repair and maintenance costs are expensed as incurred. Land is not depreciated. Depreciation is recognized using the straight-line method over the estimated useful lives of the assets: buildings – 30 to 50 years, and furniture and equipment – 3 to 25 years. Leasehold improvements are amortized over the shorter of their estimated useful lives or the remaining lease term.

Six Continents Hotels, Inc.
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Notes to Consolidated Financial Statements (continued)

1. Description of the Business and Summary of Significant Accounting Policies (continued)

Sales of Real Estate

Sales of real estate are recorded when control of the asset transfers to the buyer, generally at the time the sale closes.

Recoverability of Property and Equipment

The Company evaluates property and equipment and other long-lived assets for recoverability when changes in circumstances indicate the carrying value may not be recoverable; for example, when there are material adverse changes in projected revenues or expenses, significant underperformance relative to historical or projected operating results, and significant negative industry or economic trends. If indicators of impairment are present, estimated undiscounted future cash flows from related operations are compared with the current carrying values of the long-lived assets. If these assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds their fair value. Fair value is based on estimated discounted future cash flows.

Software

The Company capitalizes certain development costs associated with internal-use software, in accordance with ASC 350, *Internal-use software,* including external direct costs of materials and services and payroll costs for employees devoting time to a specially identified software project. Costs incurred during the preliminary project stage, as well as costs for maintenance and training, are expensed as incurred.

Capitalized software, which is included in property and equipment, is amortized to expense on a straight-line basis generally over a period of three to ten years depending on the useful life of the related asset.

Implementation costs for certain hosted software contracts are recognized within the ‘prepaid and other current assets’ line item and amortized over the term of the associated hosting arrangement on a straight-line basis.

The Company annually evaluates its software for recoverability and reassesses the ongoing value of its technology platform.

1. Description of the Business and Summary of Significant Accounting Policies (continued)

Deferred Compensation Plan Investments

The Company provides certain compensation arrangements in the United States through a Rabbi trust. The Rabbi trust is considered a variable interest entity, which the Company consolidates because the Company is its primary beneficiary. The marketable securities held by the trust are recorded at market value in accordance with ASC 321, *Investments - equity securities,* and as such, gains and losses are recognized in the consolidated statements of net income. The fair value of investments quoted on exchanges is based on closing market prices for the last trading day of the year. Non-quoted investments are carried at cost.

The related deferred compensation plan liability is recorded in accordance with ASC 710, *Compensation*. The obligation is adjusted to reflect changes in the fair value of the amount owed to the employee, with the corresponding charge (or credit) recorded within the consolidated statements of net income. The assets and liabilities are valued at the same amount with no net impact on net income.

During the year ending 31 December, 2024, a misclassification was identified in the prior year financial statements in respect of the unrealized gains and losses relating to securities held by the Rabbi Trust. ASU 2016-01, effective from January 1, 2019, adjusted ASC 320 "Investments - Debt and Equity Securities" such that ASC 320 focused on debt and treatment of equities were covered by ASC 321, “Investments – Equity Securities”. Under ASC 321-10-35-1, gains and losses are recognized in net income whereas they were formerly recognized in other comprehensive income. As a result, the comparative periods – December 31, 2022 and 2023 within these financial statements have been revised to include the unrealized gains and losses within the consolidated statements of net income within ‘gains (losses) on securities’ for the years ended December 31, 2023 and 2022. There is no impact on presentation of the consolidated balance sheets.

As a result of this revision, net income increased by $18.8 million and decreased by $40.6 million in the years ended December 31, 2023 and 2022, respectively, whilst other comprehensive income decreased by $18.8 million and increased by $40.6 million in those respective years. These figures are net of related tax of $6.3 million and $(13.6) million respectively.

There is no impact on net cash provided by operating activities, however the statements of cash flows are also revised to reflect the changes to net income and other comprehensive income.

Six Continents Hotels, Inc.
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Notes to Consolidated Financial Statements (continued)

1. Description of the Business and Summary of Significant Accounting Policies (continued)

The following summarizes the impact of the revisions (in thousands):

	Year Ended December 31, 2023		
	As Reported	**Adjustment**	**Revised**
Statement of net income			
Gains (losses) on securities	**$ -**	$ 25,109	$ 25,109
Income before income taxes	**971,127**	25,109	996,236
Provision for income taxes	**229,264**	6,302	235,566
Net income	**741,863**	18,807	760,670
Statement of comprehensive income			
Net income	**$ 741,863**	$ 18,807	$ 760,670
Unrealized gains (losses) on securities	**18,807**	(18,807)	-
Total other comprehensive income, net of tax	**19,468**	(18,807)	661
Comprehensive income	**761,331**	-	761,331
Statement of changes in Parent's Investment			
Net income	**$ 741,863**	$ 18,807	$ 760,670
Other comprehensive income	**19,468**	(18,807)	661
Balance at December 31, 2023	**483,065**	-	483,065
Statement of Cashflows			
Net income	**$ 741,863**	$ 18,807	$ 760,670
Other adjustments	**31,277**	(25,109)	6,168
Deferred income taxes	**(38,915)**	6,302	(32,613)
Net cash provided by operating activities	**1,182,767**	-	1,182,767

Six Continents Hotels, Inc.
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Notes to Consolidated Financial Statements (continued)

1. Description of the Business and Summary of Significant Accounting Policies (continued)

	Year Ended December 31, 2022		
	As Reported	**Adjustment**	**Revised**
Statement of net income			
Gains (losses) on securities	**$ -**	$ (54,174)	$ (54,174)
Income before income taxes	**674,260**	(54,174)	620,086
Provision for income taxes	**183,172**	(13,598)	169,574
Net income	**491,088**	(40,576)	450,512
Statement of comprehensive income			
Net income	**$ 491,088**	$ (40,576)	$ 450,512
Unrealized gains (losses) on securities	**(40,576)**	40,576	-
Total other comprehensive (loss) income, net of tax	**(29,213)**	40,576	11,363
Comprehensive income	**461,875**	-	461,875
Statement of changes in Parent's Investment			
Net income	**$ 491,088**	$ (40,576)	$ 450,512
Other comprehensive (loss) income	**(29,213)**	40,576	11,363
Balance at December 31, 2022	**508,661**	-	508,661
Statement of Cashflows			
Net income	**$ 491,088**	$ (40,576)	$ 450,512
Other adjustments	**(55,073)**	54,174	(899)
Deferred income taxes	**(13,605)**	(13,598)	(27,203)
Net cash provided by operating activities	**719,447**	-	719,447

Impacted amounts within the accompanying notes to the consolidated financial statements have been revised, as applicable.

1. Description of the Business and Summary of Significant Accounting Policies (continued)

Leases

On inception of a contract, the Company assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company classifies a lease as a finance lease if it meets certain criteria or as an operating lease when it does not.

Lease contracts may contain both lease and non-lease components. The Company allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

Assets held under finance leases are capitalized at the inception of the lease within 'property and equipment', with a corresponding liability being recognized for the fair value of the leased asset or, if lower, the present value of the minimum lease payments. Lease payments are apportioned between the reduction of the lease liability and interest in the consolidated statements of net income to achieve a constant rate of interest on the remaining balance of the liability. Assets held under finance leases are amortized over the shorter of the estimated useful life of the asset or the lease term.

For assets held under operating leases, the right to use the asset and the obligation under the lease to make payments are recognized on the consolidated balance sheets as a right-of-use asset and a lease liability.

The right-of-use asset recognized at lease commencement includes the amount of lease liability recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the asset's estimated useful life and the lease term. Right-of-use assets are also adjusted for any remeasurement of lease liabilities and are subject to impairment testing.

Where there are indicators of impairment, the recoverability of the related asset is reviewed by comparing the estimated future undiscounted cash flows to the net carrying value of the asset. If the asset is considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds its fair value. Fair value is based on estimated discounted future cash flows.

1. Description of the Business and Summary of Significant Accounting Policies (continued)

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate (initially measured using the index or rate at commencement), less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in-substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Company is reasonably certain to exercise and excludes the effect of early termination options where the Company is reasonably certain that it will not exercise the option. Minimum lease payments include the cost of a purchase option if the Company is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. The carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term or a change in the lease payments as a result of a rent review or change in the relevant index or rate.

For operating leases, lease expense related to fixed payments is recognized on a straight-line basis over the lease term within 'property and other taxes, insurance and leases' in the consolidated statements of net income.

Variable lease payments that do not depend on an index or a rate are recognized as an expense in the period over which the event or condition that triggers the payment occurs.

The Company has opted not to apply the lease accounting model to leases which have a term of less than twelve months. Costs associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Sub-leases of the Company's assets are classified as operating leases when the risks and rewards of ownership are not substantially transferred to the sub-lessee. Rental income arising is accounted for on a straight-line basis in the consolidated statements of net income.

1. Description of the Business and Summary of Significant Accounting Policies (continued)

When a sub-lease is classified as a sales-type lease, the Company's interest in the lease is derecognized and replaced by a net investment in the lease receivable. Any difference between those amounts is recognized in the consolidated statements of net income. The net investment in the lease is presented within 'net investment in subleases' on the consolidated balance sheets and is initially recognized at the present value of lease payments receivable under the sublease, which is increased to reflect the accretion of interest and reduced for lease payments received.

Goodwill and Intangible Assets with Indefinite Lives

Goodwill and intangible assets with indefinite lives (trademarks) are not amortized but are tested for impairment at least annually and whenever events or circumstances occur to indicate that these intangible assets may be impaired.

Goodwill is assessed using a quantitative test, with any goodwill impairment recorded at the amount by which the reporting unit's carrying value exceeds its fair value and not to exceed the total amount of goodwill allocated to the reporting unit.

The Company has one reporting unit reflecting the level at which results are reviewed and the similarity (considered for both economic and other qualitative factors) between the underlying components.

The Company evaluates the carrying value of intangible assets with indefinite lives for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. If the carrying amount exceeds the fair value, an impairment loss is recognized in the consolidated statements of net income to the amount of the difference.

Intangible Assets with Finite Lives

The cost of acquiring management agreements as part of a business combination is capitalized and amortized on a straight-line basis over the period of the management agreement, including any extension periods at the Company's option.

1. Description of the Business and Summary of Significant Accounting Policies (continued)

The Company evaluates the carrying value of these assets for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. If the estimated undiscounted cash flows are less than carrying value, an impairment loss is charged to the consolidated statements of net income based on the difference between the carrying value and the estimated fair value. Fair value is based on estimated discounted future cash flows.

Revenue Recognition

Revenue is recognized at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer.

Fee business revenue

Under franchise agreements, the Company's performance obligation is to provide a license to use the Company's trademarks and other intellectual property. Franchise royalty fees are typically charged as a percentage of hotel gross rooms revenues and are treated as variable consideration, recognized as the underlying hotel revenues occur. Where the Company licenses brands from affiliates it is acting as agent and the license cost is deducted from the related fee revenue.

Under management agreements, the Company's performance obligation is to provide hotel management services and a license to use the Company's trademarks and other intellectual property. Base and incentive management fees are typically charged. Base management fees are typically a percentage of total hotel revenues and incentive management fees are generally based on the hotel's profitability or cash flows. Both are treated as variable consideration. Like franchise fees, base management fees are recognized as the underlying hotel revenues occur. Incentive management fees are recognized over time when it is considered highly probable that the related performance criteria for each annual period will be met, provided there is no expectation of a subsequent reversal of the revenue.

Application and re-licensing fees are not considered to be distinct from the franchise performance obligation and are recognized over the life of the related contract.

Six Continents Hotels, Inc.
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Notes to Consolidated Financial Statements (continued)

1. Description of the Business and Summary of Significant Accounting Policies (continued)

The number of franchised hotels in operation during the years ended December 31, 2024, 2023 and 2022 is:

	2024	**2023**	**2022**
		(Unaudited)	
Franchised hotels at beginning of year	**4,218**	4,160	4,063
New franchises	**140**	99	127
Franchises removed	**(62)**	(41)	(30)
Franchised hotels at end of year	**4,296**	4,218	4,160

Revenue from hotel operations

At its owned and leased hotels, the Company's performance obligation is to provide accommodation and other goods and services to guests. Revenue includes rooms revenue and food and beverage sales, which are recognized when the rooms are occupied and food and beverages are sold. Guest deposits received in advance of hotel stays are recorded as deferred revenue on the consolidated balance sheets. They are recognized as revenue along with any balancing payment from the guest when the associated stay occurs.

Other revenue

Under franchise and management agreements, the Company agrees to maintain and develop certain aspects of the technology ecosystem benefitting hotels in exchange for a monthly technology fee based on either gross rooms revenue or the number of rooms in the hotel. The technology fee is charged and recognized over time as these services are delivered. Technology fee income is included in other revenue. Other revenue also includes license and service fee income from affiliates which are recognized over time.

Six Continents Hotels, Inc.
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Notes to Consolidated Financial Statements (continued)

1. Description of the Business and Summary of Significant Accounting Policies (continued)

System Fund and reimbursable revenues

System Fund and other co-brand revenues

The Company operates a System Fund (the "Fund") to collect and administer cash assessments from hotel owners for specified purposes of use including marketing, reservations, certain hotel services and the Group's loyalty program, IHG One Rewards. The Fund also benefits from certain proceeds from the sale of loyalty points under third-party co-branding arrangements and the sale of points directly to members and other third parties. The Fund is not managed to generate a surplus or deficit for the Company over the longer term but is managed for the benefit of the IHG System (hotels/rooms operating under franchise and management agreements together with IHG owned, leased and managed hotels/rooms, globally) with the objective of driving revenues for the hotels in the IHG System.

The growth in the IHG One Rewards program means that, although assessments are received from hotels up front when a member earns points, more revenue is deferred each year than is recognized in the Fund. This can lead to accounting losses in the Fund each year as the deferred revenue balance grows. During 2024 and 2023 the Company recognized $601.8 million and $554.0 million of revenues previously deferred as of December 31, 2023 and December, 31, 2022, respectively.

Under both franchise and management agreements, the Company is required to provide marketing and reservations services, as well as other centrally managed programs. These services are provided by the Fund and are funded by assessment fees. Costs are incurred and allocated to the Fund in accordance with the principles agreed with the IHG Owners Association (which represents the interests of more than 5,000 hotel owners and operators worldwide) and ensuring appropriate consistency of application. The Company acts as principal in the provision of most services as the related expenses primarily comprise payroll and marketing expenses under contracts entered into by the Company. Assessment fees from hotel owners are generally levied as a percentage of hotel revenues but may also be volume-based or fixed monthly fees, and are recognized at the point the Company is entitled to raise the invoice.

Certain travel agency commission and other revenues within the Fund are recognized on a net basis, where it has been determined that the Company is acting as agent.

1. Description of the Business and Summary of Significant Accounting Policies (continued)

In respect of IHG One Rewards, the performance obligations are to arrange for the provision of future benefits to members on consumption of previously earned reward points and Milestone Rewards. Points are exchanged for reward nights at an IHG hotel or other goods or services provided by third parties. Milestone Rewards comprise points or other benefits such as upgrades and food and beverage vouchers.

Under its franchise and management agreements, the Company receives assessment fees based on total qualifying hotel revenue from IHG One Rewards members' hotel stays.

The Company's performance obligation is not satisfied in full until the member has consumed the relevant benefits. Accordingly, loyalty assessments are allocated between points and Milestone Rewards and deferred in an amount that reflects the stand-alone selling price of the future benefit to the member.

From 1 January 2024, as agreed with the IHG Owners Association, a portion of revenue relating to the consumption of certain points sold is reported within fee business revenue, with the remaining amount reported within System Fund and reimbursable revenues. Revenue relating to points earned at hotels continues to be reported within System Fund and reimbursable revenues.

Revenue is impacted by a "breakage" estimate of the benefits that will never be consumed. On an annual basis, the Company engages an external actuary who uses statistical formulae to assist in formulating this estimate, which is adjusted to reflect actual experience up to the reporting date.

As materially all of the awards will be either consumed at IHG managed or franchised hotels owned by third parties, or exchanged for awards provided by third parties, the Company is deemed to be acting as agent on consumption and therefore recognizes the related revenue net of the cost of reimbursing the hotel or third party that is providing the benefit.

Performance obligations under the Company's co-brand credit card agreements comprise:

a) arranging for the provision of future benefits to members who have earned points or free night certificates;
b) providing the co-brand partners with access to the loyalty program and customer base, and rights to use the Company's brands; and
c) marketing services.

1. Description of the Business and Summary of Significant Accounting Policies (continued)

Revenue from a) is reported within 'System Fund and reimbursable revenues' and revenue from b) is recorded within 'fee business' revenue. Revenue from c) is recognized in either 'fee business' revenue or 'System Fund and reimbursable revenues' depending on the nature of marketing services performed.

Fees from these agreements comprise fixed amounts normally payable at the beginning of the contract, and variable amounts paid on a monthly basis. Variable amounts are typically based on the number of points and free night certificates issued to members and the marketing services performed by the Company. Total fees are allocated to the performance obligations based on their estimated stand-alone selling prices. Revenue allocated to marketing and licensing obligations is recognized on a monthly basis as the obligations are satisfied. Revenue relating to points and free night certificates is recognized when the member has consumed the points or certificates at a participating hotel or has selected a reward from a third party, net of the cost of reimbursing the hotel or third party that is providing the benefit.

Judgment is required in estimating the stand-alone selling prices which are based upon generally accepted valuation methodologies regarding the value of the license provided and the number of points and certificates expected to be issued. However, the value of revenue recognized and the deferred revenue balance at the end of the year is not materially sensitive to changes in these assumptions.

Reimbursable revenues

In a managed property, the Company acts as employer of the general manager and other employees at the hotel and is entitled to reimbursement of these costs. The performance obligation is satisfied over time as the employees perform their duties, consistent with when reimbursement is received. Reimbursements for these services are shown as revenue with an equal matching employee cost, with no profit impact. Certain other costs relating to both managed and franchised hotels are also contractually reimbursable to the Company and, where the Company is deemed to be acting as principal in the provision of the related services, the revenue and cost are shown on a gross basis.

1. Description of the Business and Summary of Significant Accounting Policies (continued)

Contract assets

Amounts paid to hotel owners to secure management and franchise agreements ('key money') are treated as consideration payable to a customer. A contract asset is recorded which is recognized as a deduction to fee business revenue over the initial term of the agreement. These assets are presented as 'Contract assets' in the consolidated balance sheets. In respect of key money, $116.8 million has been paid to owners and $22.1 million recognized in revenue during the year.

In limited cases, loans can be provided to an owner, in such cases the initial credit risk will be low. The difference, if any, between the face and market value of the loan on inception is recognized as a contract asset.

In limited cases, the Company may provide performance guarantees to hotel owners. The expected value of payments under performance guarantees reduces the overall transaction price and is recognized as a deduction to revenue over the term of the agreement. Performance guarantee assets of $5.5 million and $6.8 million are included in contract assets on the consolidated balance sheets at December 31, 2024 and 2023, respectively.

Typically, contract assets are not financial assets as they represent amounts paid by the Company at the beginning of a contract, and so are tested for impairment based upon estimated future cash flows rather than with reference to expected credit losses. Contract assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If the estimated undiscounted cash flows are less than carrying value, an impairment loss is charged to the consolidated statements of net income based on the difference between the carrying value and the estimated fair value. Fair value is based on estimated discounted future cash flows.

Contract costs

Certain costs incurred to secure management and franchise agreements, typically developer commissions, are capitalized and are amortized over the initial term of the related contract. These costs are presented as 'Contract costs' in the consolidated balance sheets.

1. Description of the Business and Summary of Significant Accounting Policies (continued)

Contract costs are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable with reference to the future expected cash flows from the contract. If the estimated undiscounted cash flows are less than carrying value, an impairment loss is charged to the consolidated statements of net income based on the difference between the carrying value and the estimated fair value. Fair value is based on estimated discounted future cash flows.

Advertising Costs

Advertising costs are expensed as incurred related to short term agreements. Payments made for long-term deals are recognized within 'prepaid and other current assets' on the consolidated balance sheets and spread over the term of the related agreement and benefit. The Company recognized advertising costs of $3.3 million, $7.5 million and $8.5 million for the years ended December 31, 2024, 2023 and 2022, respectively, within 'General and administrative expenses' on the consolidated statements of net income. Additional advertising costs of $365.3 million, $329.9 million and $278.5 million have been charged to the System Fund in the years ended December 31, 2024, 2023 and 2022, respectively, and are included in 'System Fund and reimbursable expenses' on the consolidated statements of net income.

Pension and Other Postretirement Benefits

Defined Benefit Plans

The determination of the Company's obligation and expense for pension and other postretirement benefits is dependent on the selection of certain actuarial assumptions, as described in Note 9.

The Company defers actual results that differ from its assumptions and amortizes the difference over future periods. Therefore, the differences generally affect the recognized expense, recorded obligation and funding requirements in future periods.

Defined Contribution Plans

Payments for defined contribution plans are charged to operating expenses as they fall due.

Six Continents Hotels, Inc.
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Notes to Consolidated Financial Statements (continued)

1. Description of the Business and Summary of Significant Accounting Policies (continued)

Income Taxes

The Company records the amounts of deferred tax liabilities and assets for the future tax consequences of events that have been recognized in its financial statements on its Parent's tax returns. Deferred income taxes are recorded based on the differences between the financial statement and tax bases of assets and liabilities and the tax rates in effect when these differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period when the new tax rate is enacted. Interest and penalties are recognized on the 'interest expense – external' and 'other income (loss)' lines, respectively.

The Company reclassifies the amounts of taxes payable or refundable for the current year as non-shareholder capital contributions, which is shown as a component of the Parent's Investment as described in Note 12.

The Company applies the provisions of ASC 740, *Accounting for Uncertainty in Income Taxes*, which prescribes criteria for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Benefits resulting from uncertain tax positions that meet a "more likely than not" threshold at the effective date are recognized, based on measurement as the largest benefit which has a greater than fifty percent likelihood of being sustained upon examination by the tax authorities.

Comprehensive Income

Comprehensive income is the change in Parent's Investment during the year that results from transactions with parties other than the Parent. Other comprehensive income (comprehensive income less net income) includes the effects of foreign currency translation and pension liability adjustments. The Company's comprehensive income is presented on the consolidated statements of comprehensive income.

Fair Value of Financial Instruments

The aggregate fair value of cash and cash equivalents, accounts receivables, and accounts payable as of December 31, 2024, approximates their carrying value due to their relatively short-term nature. Deferred compensation plan investments are recorded at market value as described on page 13 above.

Six Continents Hotels, Inc.
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Notes to Consolidated Financial Statements (continued)

1. Description of the Business and Summary of Significant Accounting Policies (continued)

Foreign Currency Translation

Balance sheet accounts are translated at the exchange rates in effect at each year end and income and expense accounts are translated at the weighted-average rates of exchange prevailing during the year.

The functional currency of entities operating outside of the U.S. is the currency of the primary economic environment in which the respective entity operates, unless it is considered a highly inflationary economy in which case the functional currency of that entity is U.S. dollars. Gains and losses from foreign exchange and the effect of exchange rate changes on intercompany transactions of a long-term investment nature are generally included in other comprehensive income. Gains and losses from foreign exchange rate changes related to intercompany receivables and payables of a working capital nature are reported separately on the consolidated statements of net income and amount to a net gain (loss) of $3.2 million, $(3.9) million and $(3.1) million in the years ended December 31, 2024, 2023 and 2022, respectively.

Legal Contingencies

The Company is subject to various legal proceedings and claims, the outcomes of which are subject to many uncertainties inherent in litigation. A loss contingency is accrued by way of a charge to income if it is probable that an asset has been impaired or a liability has been incurred and the amount of the loss can be reasonably estimated. Disclosure of a contingency is required if there is at least a reasonable possibility that a loss has been incurred. The Company evaluates, among other factors, the degree of probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of the loss. Changes in these factors could materially impact the Company's financial position or its results of operations or cash flows.

Use of Estimates

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

1. Description of the Business and Summary of Significant Accounting Policies (continued)

Impact of Recently Issued Accounting Pronouncements

Adopted Accounting Standards

In March 2023, the FASB issued ASU No. 2023-01, *Leases (Topic 842): Common Control Arrangements.* This standard introduces expedients relating to common control lease transactions, effective for financial years beginning after December 15, 2023. There has been no effect on the consolidated balance sheets, consolidated statements of net income or financial statement disclosures in future years.

Future Adoption of Accounting Standards

In December 2023, the FASB issued ASU No. 2023-09, *Income taxes (Topic 740): Improvement to Income Tax disclosures.* This standard enhances the transparency and decision usefulness of income tax disclosures, effective for financial years beginning after December 15, 2025. The Company is still evaluating the impact of this standard but there are not expected to be any significant changes to the consolidated balance sheets, consolidated statements of net income or financial statement disclosures in future years.

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Notes to Consolidated Financial Statements (continued)

2. Credit Losses Related to Receivables

Change in expected credit loss allowance (in thousands):

	December 31	
	2024	**2023**
Beginning balance in allowance for credit losses	**$ 44,963**	$ 52,355
Current period charge (release) for expected credit losses	**9,170**	(1,988)
Current period charge (release) to System Fund	**4,658**	(1,608)
Write-offs charged against allowance	**(4,231)**	(4,127)
Foreign exchange differences and other	**(1,103)**	331
The ending balance in the allowance for credit losses	**$ 53,457**	$ 44,963

3. Property and Equipment

Property and equipment which includes the hotels owned by the Company, related furnishings and capitalized software, is carried at cost less accumulated depreciation and impairment (if applicable), and consisted of the following at December 31, 2024 and 2023 (in thousands):

	December 31	
	2024	**2023**
Land	**$ 6,105**	$ 13,771
Building and improvements	**64,941**	65,074
Furniture, fixtures, and equipment (including computer software)	**930,042**	932,519
Assets held under finance leases	**182,851**	182,851
	1,183,939	1,194,215
Less accumulated depreciation and impairment	**(752,168)**	(700,770)
Property and equipment, net	**$ 431,771**	$ 493,445

3. Property and Equipment (continued)

Total depreciation and amortization expense was $32.8 million, $33.9 million and $36.0 million for the years ended December 31, 2024, 2023 and 2022, respectively. Software amortization included in this expense for the years ended December 31, 2024, 2023 and 2022, was $17.0 million, $18.4 million and $21.9 million, respectively. Additional depreciation expense of $77.0 million, $76.8 million, and $80.1 million has been charged to the System Fund in the years ended December 31, 2024, 2023 and 2022, respectively, and is included in 'System Fund and reimbursable expenses' on the consolidated statements of net income. Fully depreciated assets with a gross book value of $53.4 million and $68.3 million have been written off during the years ended December 31, 2024, and 2023 respectively. The gross book value and corresponding amortization have been reversed, with no impact on the net book value.

The net book value of capitalized internal-use software at December 31, 2024 and 2023 is $240.5 million and $290.9 million, respectively. Impairment losses of $1.1 million, $0 and $0 were recognized on individual software assets during any of the years ended December 31, 2024, 2023 and 2022 respectively. In addition, $2.8 million, $0 and $0 were recognized within the System Fund.

In 2006, the Company entered into a 99-year finance lease on the InterContinental Hotel in Boston, Massachusetts, which is recorded in 'property and equipment' on the consolidated balance sheets. Assets capitalized related to this lease were $116.7 million and $120.3 million, net of $66.2 million and $62.5 million in accumulated amortization, at December 31, 2024 and 2023, respectively. The total depreciation expense includes $3.7 million in each of the years ended December 31, 2024, 2023 and 2022, for this asset. See Note 6 for information relating to the finance lease obligation.

There were no assets held for sale at December 31, 2024 or 2023.

4. Insurance Receivable, Net

Insurance receivable, net, represents the cash surrender value of key man life insurance policies reduced by outstanding loan amounts. These key man life insurance policy provisions allow for the right to offset outstanding loan amounts against the proceeds received on maturity or cancellation of the policy. Accumulated cash surrender value amounts of $33.0 million and $31.9 million were reduced by outstanding loan amounts of $31.5 million and $30.4 million at December 31, 2024 and 2023, respectively. These assets are included in 'other assets' in the consolidated balance sheets.

5. Goodwill and Intangible Assets

Goodwill and intangible assets consisted of the following at December 31, 2024 and 2023 (in thousands):

	December 31	
	2024	**2023**
Goodwill	**$ 940,998**	$ 940,998
Trademarks and Brands	**709,475**	709,475
Indefinite-lived intangible assets	**1,650,473**	1,650,473
Other intangible assets	**108,916**	107,840
Less accumulated amortization	**(60,903)**	(55,270)
Goodwill and intangible assets, net	**$ 1,698,486**	$ 1,703,043

No impairment of goodwill and indefinite-lived intangible assets (trademarks) was recorded for the years ended December 31, 2024, 2023 and 2022.

At December 31, 2024, the average remaining term for other intangible assets is eleven years.

Amortization expense on finite-lived intangible assets recorded in the years ended December 31, 2024, 2023 and 2022, was $4.6 million, $5.7 million and $5.1 million, respectively. Additional amortization expense of $1.0 million, $1.0 million and $0.9 million has been charged to the System Fund in the years ended December 31, 2024, 2023 and 2022, respectively, and is included in 'System Fund and reimbursable expenses' on the consolidated statements of net income.

Estimated amortization for finite-lived intangible assets for the next five years is (in thousands):

2025	$ 5,036
2026	4,777
2027	4,554
2028	4,459
2029	4,165

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Notes to Consolidated Financial Statements (continued)

6. Leases

The Company leases certain real estate and equipment used in its operations, which are accounted for as operating leases. In addition to a specified minimum rental, some of these leases provide for variable lease rentals based on percentages of revenue, which are recognized in the consolidated statements of net income when incurred.

Operating lease costs are included in property and other taxes, insurance and leases on the consolidated statements of net income.

Lease costs for the years ended December 31, 2024, 2023 and 2022 were (in thousands):

	2024	**2023**	**2022**
Operating lease expense for fixed payments	**$ 10,959**	$ 11,451	$ 11,926
Variable lease expense	**543**	528	344
Short-term lease cost	**197**	574	151
Sub-lease income	**(3,428)**	(2,967)	(2,275)
Sub-lease interest income	**(393)**	(118)	-
Finance lease expense:			
Depreciation of assets	**3,657**	3,657	3,658
Interest on lease liabilities	**23,205**	23,021	22,854

Additional operating lease expense of $0, $0.3 million and $0.3 million has been charged to the System Fund in the years ended December 31, 2024, 2023 and 2022, respectively, and is included in ‘System Fund and reimbursable expenses’ on the consolidated statements of net income.

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Notes to Consolidated Financial Statements (continued)

6. Leases (continued)

The future minimum rental commitments under non-cancelable operating leases at December 31, 2024, are (in thousands):

2025	$ 16,048
2026	16,308
2027	15,985
2028	14,331
2029	13,919
Thereafter	18,829
	95,420
Less amount representing interest	(11,225)
Present value of net minimum lease payments	$ 84,195

Minimum rental commitments exclude variable rentals which are payable based on percentages of revenue.

The Company is party to certain operating sublease arrangements with the largest relating to the Company's corporate headquarters. Sublease income relating to the corporate headquarters is principally recognized in the System Fund. The net book value of the related right-of-use assets is $2.6 million and $1.9 million at December 31, 2024 and 2023, respectively.

From 2023, the Company entered into sublease arrangements with hotels for equipment which has been classified as a sales-type lease arrangement as the sublease agreement is concurrent with the expected useful life of the equipment. No gain or loss arose on the recognition of the sales-type leases.

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Notes to Consolidated Financial Statements (continued)

6. Leases (continued)

Balances relating to these leases are as follows (in thousands):

	2024	2023	2022
Undiscounted cash flows for sales-type sub-leases	**$ 8,096**	$ 6,405	$ -
Interest income over the remaining lease term	**(604)**	(583)	-
Net investment in lease	**$ 7,492**	$ 5,822	$ -
Analyzed as:			
Current	**$ 2,418**	$ 1,463	$ -
Non-current	**5,074**	4,359	-
	$ 7,492	$ 5,822	$ -

As described in Note 3, the Company has a finance lease on the InterContinental Hotel in Boston, Massachusetts. The lease commenced on August 1, 2006, with the first lease payment due on August 1, 2007. Interest expense of $23.2 million, $23.0 million and $22.9 million was incurred for the years ended December 31, 2024, 2023 and 2022, respectively. Accrued interest of $78.4 million and $76.3 million is included within 'finance lease obligations' on the consolidated balance sheets as of December 31, 2024 and 2023, respectively.

The future minimum lease payments required under the finance lease and the present value of the net minimum lease payments as of December 31, 2024, are (in thousands):

2025	$ 21,120
2026	21,120
2027	21,120
2028	21,120
2029	21,120
Thereafter	3,085,728
Net minimum lease payments	3,191,328
Less amount representing interest	(2,930,124)
Present value of net minimum lease payments	$ 261,204

6. Leases (continued)

The Company has the option to extend the term of the lease for two additional 20-year terms after 2105. The extension option is not included in the calculation of the lease asset and liability. Payments under the lease step up at regular intervals over the lease term.

No material restrictions or guarantees exist with respect to the Company's finance or operating lease obligations.

Supplemental balance sheet information related to leases as of December 31, 2024 and 2023 is:

	2024	2023
Weighted average remaining lease term:		
Operating leases	6.1 years	7.2 years
Finance leases	80.6 years	81.6 years
Weighted average discount rate:		
Operating leases	4.78 %	4.8%
Finance leases	9.7 %	9.7%

For the years ended December 31, 2024, 2023 and 2022 cash outflows for leases were (in thousands):

	2024	2023	2022
Operating cash flows			
Operating leases	**$ 16,317**	$ 14,968	$ 18,186
Finance leases	**21,120**	21,120	18,560

7. Share-Based Compensation

Certain employees of the Company participate in share-based compensation arrangements that are granted by the Parent and result in the award of the Parent's stock. As the Parent is a UK-based company whose stock is traded in pounds sterling, some of the disclosures that follow are provided in pence. References to the "Board," "Executive Directors," and the "Remuneration Committee" relate to those of the Parent.

For awards that are classified as equity awards, the cost is recognized from the grant date over the requisite service period.

In 2023, the new Deferred Award Plan rules ("DAP") replaced the IHG Annual Performance Plan ("APP") and Long Term Incentive Plan ("LTIP") as a simplified, combined set of plan rules which govern the Company's discretionary incentive plans.

Awards granted under the DAP can consist of Deferred Annual Incentive ("DAI"), Long-Term Incentive ("LTI"), Restricted Stock Unit ("RSU") and other ad hoc awards.

The DAP rules were approved at the IHG Annual General Meeting on May 5, 2023, with all LTI and RSU awards granted after this date and DAI awards granted in respect of 2024 and future APP years being subject to the rules of the DAP. All previously granted awards will still be subject to the LTIP and APP rules respectively.

7. Share-Based Compensation (continued)

Annual Performance / Deferred Annual Incentive Awards

Eligible employees (including Executive Directors) may receive all or part of their bonus in the form of deferred shares and/or receive one-off awards of shares. Deferred shares in relation to annual performance-related bonus plans are released on the third anniversary of the award date. Awards are conditional on the participants remaining in the employment of a participating company or leaving for a qualifying reason. The grant of deferred shares under the APP/DAP is at the discretion of the Parent Remuneration Committee.

The number of shares is calculated by dividing a specific percentage of the participant's annual performance-related bonus award by the average of the middle market quoted prices on the three consecutive business days following the announcement of the IHG Group's results for the relevant financial year. A number of the Company's executives participated in the APP during 2024 and conditional rights over 58,740 (125,496 in 2023 and 120,397 in 2022) shares were awarded to participants. In 2024 this number included 11,657 (52,109 in 2023 and 48,555 in 2022) shares awarded as part of recruitment terms or for one-off individual performance-related awards.

Long Term Incentive Plan and Restricted Stock Units

Executive Directors and eligible employees may receive conditional share awards, which normally have a vesting period of three years, subject to continued employment. In addition, certain LTI awards made to Executive Directors of IHG are normally subject to a further two-year holding period after vesting.

LTI awards are subject to performance-based vesting conditions set by the IHG Remuneration Committee, which are normally measured over the vesting period.

Awards are normally made annually and, except in exceptional circumstances, do not exceed the limit set out in the Parent's Remuneration Policy and DAP rules. During 2024, conditional rights over 389,024 (563,515 in 2023 and 588,479 in 2022) shares were awarded to employees of the Company under the plan, comprising 87,072 performance-related awards (132,546 in 2023 and 139,803 in 2022) and 301,952 restricted stock units (430,969 in 2023 and 448,676 in 2022).

7. Share-Based Compensation (continued)

Colleague Share Plan

The Colleague Share Plan gives eligible corporate employees the opportunity to purchase shares up to an annual limit. After the end of the plan year, the participant will be awarded the right to receive one matching share for every purchased share (subject to continued employment). If the participant holds the purchased shares until the second anniversary of the end of the plan year, the conditional right to matching shares vests. The total fair value of the Colleague Share Plan is not significant.

Compensation Disclosures

The Company recognized share-based compensation expense of $34.0 million, $32.2 million and $24.8 million in the years ended December 31, 2024, 2023 and 2022, respectively. The expense relates to employees who have contracted employment with the Company. In some instances, these employees provide their services to affiliated companies who pay their salaried remuneration.

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Notes to Consolidated Financial Statements (continued)

7. Share-Based Compensation (continued)

In 2024, 2023 and 2022, the Company used separate option pricing models and assumptions for each plan. The following tables set forth information about how fair value of each award is calculated:

	APP	LTIP
	Binomial	**Monte Carlo Simulation, Binomial and Finnerty**
2024 valuation model		
Weighted-average share price (British pence)	**8,364.5**	**7,940.0**
Expected dividend yield	**-**	**2.12%**
Risk-free interest rate	**-**	**4.20%**
Volatility[(i)]	**-**	**26.0%**
Term (years)	**2.5**	**3.0**
2023 valuation model		
Weighted-average share price (British pence)	5,520.4	5,318.0
Expected dividend yield	-	2.5% to 2.8%
Risk-free interest rate	-	3.85%
Volatility[(i)]	-	29% to 30%
Term (years)	2.6	2.8
2022 valuation model		
Weighted-average share price (British pence)	4,926.6	4,875.0
Expected dividend yield	-	2.3% to 2.7%
Risk-free interest rate	-	1.3%
Volatility[(i)]	-	35% to 45%
Term (years)	1.5	3.0

[(i)] The expected volatility was determined by calculating the historical volatility of the Parent's share price corresponding to the expected life of the share award.

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Notes to Consolidated Financial Statements (continued)

7. Share-Based Compensation (continued)

Movements in the awards outstanding under the plans for the year ended December 31, 2024 are:

	APP/DAP	LTIP/DAP Performance-related awards/LTI	LTIP/DAP Restricted stock units
	(Number of Shares In Thousands)		
Outstanding at December 31, 2023	**193**	**441**	**1,041**
Granted	59	87	302
Vested	(42)	(84)	(270)
Transfer from intergroup companies	2	1	11
Expired or canceled	(3)	(110)	(64)
Outstanding at December 31, 2024	**209**	**335**	**1,020**
Weighted-average remaining contract life (years) at December 31, 2024	1.0	0.9	1.1
Fair value of awards granted:			
2024	**$ 106.88**	**$ 56.68**	**$ 100.80**
2023	$ 68.63	$ 31.96	$ 61.55
2022	$ 60.67	$ 37.69	$ 56.41

The above awards do not vest until the performance and service conditions have been met.

The weighted-average share price at the date of exercise for share awards vested during the year was 8,207.7 British pence. The closing share price on December 31, 2024 was 9,954.0 British pence and the range during the year was 7,016.0 British pence to 10,180.0 British pence per share.

7. Share-Based Compensation (continued)

	Year Ended December 31		
	2024	**2023**	**2022**
	(In Millions)		
Intrinsic value of awards and options exercised in the year			
APP/DAP	**$ 7.7**	$ 7.4	$ 7.9
LTIP/DAP – Performance-related awards	**8.9**	6.2	0.3
LTIP/DAP – Restricted Stock Units	**32.1**	24.1	16.5
	$ 48.7	$ 37.7	$ 24.7
Fair value of awards vested during the year			
APP/DAP	**$ 6.0**	$ 6.2	$ 7.4
LTIP/DAP – Performance-related awards	**3.3**	2.6	0.1
LTIP/DAP – Restricted Stock Units	**18.7**	14.8	14.4
	$ 28.0	$ 23.6	$ 21.9

As of December 31, 2024, there was 28.5 million of total unrecognized compensation cost related to non-vested share-based compensation arrangements granted under the plans. That cost is expected to be recognized over a weighted-average period of 2 years.

No cash was received from option exercises under any of the share-based payment arrangements for the years ended December 31, 2024, 2023 and 2022. The actual tax benefit realized for the tax deductions from option exercise of the share-based payment arrangements totaled $10.9 million, $8.0 million and $6.9 million for the years ended December 31, 2024, 2023 and 2022, respectively.

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Notes to Consolidated Financial Statements (continued)

8. Other Comprehensive Income

A summary of the components of other comprehensive income for the years ended December 31, 2024, 2023 and 2022, is (in thousands):

	Pre-Tax Amount	Tax	Net of Tax Amount
Fiscal 2024			
Foreign currency translation adjustments	**$ (6,082)**	**$ (1,678)**	**$ (7,760)**
Pension liability adjustments	**1,616**	**(404)**	**1,212**
Other comprehensive (loss) income	**$ (4,466)**	**$ (2,082)**	**$ 6,548**
Fiscal 2023			
Foreign currency translation adjustments	$ 3,690	$ (1,369)	$ 2,321
Pension liability adjustments	(2,216)	556	(1,660)
Other comprehensive (loss) income	$ (1,474)	$ (813)	$ 661
Fiscal 2022			
Foreign currency translation adjustments	$ 599	$ 1,977	$ 2,576
Pension liability adjustments	11,731	(2,944)	8,787
Other comprehensive income (loss)	$ 12,330	$ (967)	$ 11,363

8. Other Comprehensive Income (continued)

The following table provides information regarding the pre-tax amounts reclassified out of accumulated comprehensive income for the year ended December 31, 2024 (in thousands):

	Foreign Currency Translation Adjustments	Pension Liability Adjustments	Total
Fiscal 2024			
Other comprehensive (loss) income before reclassifications	**$ (6,082)**	**$ 2,213**	**$ (3,869)**
Amounts reclassified to income (pension costs) from other comprehensive income	**-**	**(597)**	**(597)**
Other comprehensive (loss) income	**$ (6,082)**	**$ 1,616**	**$ 4,466**

9. Employee Benefit Plans

Defined Contribution Plans

The Company maintains a defined contribution savings plan. Under the plan, participating employees who have completed six months of service may elect to make pretax contributions to the plan from 1.0% up to 75.0% of their eligible earnings. Subject to certain limitations, the Company will match 100.0% of the first 4.0% of compensation contributed (6.0% for a non-highly compensated corporate employee or a member of the hotel executive committee). Plan participants are immediately vested in the Company's matching contributions. The Company's matching contributions to the Plan were approximately $14.3 million, $12.1 million and $11.2 million, for the years ended December 31, 2024, 2023 and 2022, respectively. Additionally, employees meeting certain eligibility requirements received supplemental contributions of $5.5 million, $5.4 million and $4.8 million, for the years ended December 31, 2024, 2023 and 2022, respectively. Plan participants become fully vested in the Company's supplemental matching contributions after five years of credited service.

9. Employee Benefit Plans (continued)

Defined Benefit Plans

During 2018, the Company completed a termination of the US funded Inter-Continental Hotels Pension Plan, which involved certain qualifying members receiving lump-sum cash-out payments with the remaining pension obligations subject to a buy-out by Banner Life Insurance Company, a subsidiary of Legal and General America.

The Company continues to maintain the unfunded Inter-Continental Hotels Non-qualified Pension Plans and unfunded Inter-Continental Hotels Corporation Postretirement Medical, Dental, Vision and Death Benefit Plan, both of which are defined benefit plans. Both plans are closed to new members. A Retirement Committee, comprising senior Company employees and assisted by professional advisors as and when required, has responsibility for oversight of the plans.

The Company also maintains immaterial post-employment benefit plans in Mexico which are accounted for as defined benefit plans. At December 31, 2024, a retirement benefit liability of $1.6 million was recognized in respect of this plan. Disclosures in this note concerning movements in the projected benefit obligation, assumptions, sensitivities and estimates of future pension payments relate to the US non-qualified Pension Plan and Postretirement Program only and are not provided in relation to the immaterial Mexican plans.

The pension costs for the US defined benefit plans are (in thousands):

	Non-qualified Pension Plans			**Postretirement Programs**		
	Year Ended December 31			**Year Ended December 31**		
	2024	**2023**	**2022**	**2024**	**2023**	**2022**
Service cost	**$ -**	$ -	$ -	**$ -**	$ -	$ -
Interest cost	**1,517**	1,656	1,058	**593**	628	405
Amortization of unrecognized actuarial loss (gain)	**-**	-	478	**(597)**	(639)	(280)
Net periodic benefit cost (gain)	**$ 1,517**	$ 1,656	$ 1,536	**$ (4)**	$ (11)	$ 125

The pension costs related to the defined benefit plans are settled with the Parent through the Parent's Investment account.

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Notes to Consolidated Financial Statements (continued)

9. Employee Benefit Plans (continued)

The major assumptions used in computing the US benefit obligations were:

	Non-qualified Pension Plans			Postretirement Programs		
	Year Ended December 31			Year Ended December 31		
	2024	**2023**	**2022**	**2024**	**2023**	**2022**
Discount rate	**5.3%**	4.7%	4.9%	**5.3 %**	4.7%	4.9%
Expected long-term rate of earnings increases	**n/a**	n/a	3.5%	**n/a**	n/a	4.0%

The assumed discount rates were determined by reference to published long-term bond indices at a maturity appropriate to the anticipated timing of expected benefit payments.

Mortality is the most significant demographic assumption. The current assumptions are based on rates from the Pri-2012 Mortality Study and Generationally Projected with Scale MP-2021 mortality tables.

The assumed health care cost trend rates for medical and dental plans for 2024, 2023 and 2022 are:

	2024	**2023**	**2022**
Health care cost trend rate assumed for next year:			
Pre 65 (ultimate rate reached in 2035)	**8.6%**	7.8%	6.9%
Post 65 (ultimate rate reached 2035)	**9.7%**	8.6%	7.3%
Ultimate rate that the cost rate trends to	**4.5%**	4.5%	4.5%

A one-percentage point increase in assumed health care costs trend rate would increase the accumulated post-employment benefit obligation as of December 31, 2024, 2023 and 2022, by $0.7 million, $0.8 million and $0.8 million, respectively.

A one-percentage point decrease in assumed health care costs trend rate would decrease the accumulated post-employment benefit obligations as of December 31, 2024, 2023 and 2022 by $0.7 million, $0.8 million and $0.8 million, respectively.

The change in service and interest cost components of net post-employment cost from such an increase/decrease would be less than $0.05 million in all years presented.

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Notes to Consolidated Financial Statements (continued)

9. Employee Benefit Plans (continued)

The following table sets forth movements in the projected benefit obligation (in thousands):

	Non-qualified Pension Plans		Postretirement Programs	
	Year Ended December 31		Year Ended December 31	
	2024	2023	2024	2023
Change in benefit obligation				
Benefit obligation at beginning of year	**$ 34,595**	$ 35,255	**$ 13,212**	$ 12,871
Interest expense	**1,517**	1,656	**593**	628
Employee contributions	**-**	-	**314**	328
Benefits paid	**(3,260)**	(3,331)	**(1,322)**	(1,177)
Actuarial (gain) loss arising in the year	**(1,834)**	1,015	**(379)**	562
Benefit obligation at end of year	**$ 31,018**	$ 34,595	**$ 12,418**	$ 13,212
Accumulated benefit obligation (all vested)	**$ 31,018**	$ 34,595	**$ 12,418**	$ 13,212

The fair value of plan assets was $0 and $0.25 million at December 31, 2024 and 2023, respectively; the movement of $0.25 million being charged to the consolidated statements of income in the 'general and administrative' line in the year ended December 31, 2024.

The following table sets forth the amounts recognized in the financial statements (in thousands):

	Non-qualified Pension Plans		Postretirement Programs	
	Year Ended December 31		Year Ended December 31	
	2024	2023	2024	2023
Fair value of plan assets	**$ -**	$ 250	**$ -**	$ -
Projected benefit obligation	**(31,018)**	(34,595)	**(12,418)**	(13,212)
Funded status	**$ (31,018)**	$ (34,345)	**$ (12,418)**	$ (13,212)
Recognized in the balance sheet as:				
Pension asset – current	**$ -**	$ 250	**$ -**	$ -
Accrued pension cost – current	**(3,249)**	(3,337)	**(1,094)**	(1,100)
Accrued pension cost – noncurrent	**(27,769)**	(31,258)	**(11,324)**	(12,112)
	$ (31,018)	$ (34,345)	**$ (12,418)**	$ (13,212)
Amounts recognized in accumulated other comprehensive income:				
Unrecognized actuarial loss (gain)	**1,546**	3,380	**(6,702)**	(6,920)

9. Employee Benefit Plans (continued)

The net actuarial (gain) loss recognized in other comprehensive income for the years ended December 31, 2024, 2023 and 2022, was $(1.8) million, $1.0 million and $(7.3) million, respectively, for the pension plans, and $(0.4) million, $0.6 million and $(4.2) million, respectively, for the postretirement programs. Gains (losses) amortized from other comprehensive income and included in the net periodic pension cost in the years ended December 31, 2024, 2023 and 2022 were $0, $0, and $(0.5) million, respectively, for the pension plans, and $0.6 million, $0.6 million, and $0.3 million, respectively, for the postretirement program.

The Company estimates that of the amounts included in other comprehensive income at December 31, 2024, $0 and $0.6 million of the actuarial gain will be amortized for the pension plans and postretirement benefit programs, respectively, in 2025, all on a pretax basis.

At December 31, 2024, the Company estimates that it will contribute $3.2 million to the pension plans and $1.1 million to the postretirement benefit programs in 2025.

The following benefit payments are expected to be paid (in thousands):

	Non-qualified Pension Plans	Postretirement Programs
2025	3,249	1,094
2026	3,155	1,104
2027	3,068	1,108
2028	2,965	1,105
2029	2,856	1,097
After 2029	12,484	5,116

10. Investments in Unconsolidated Entities

Investments in unconsolidated entities comprise the following (in thousands):

	December 31 2024	December 31 2023
Barclay Operating Corporation	**$ 158,408**	$ 150,402
111 East 48th Street	**4,099**	1,910
Other Hotel Ownership Entities	**43,968**	23,766
Groups360 LLC	**3,977**	5,009
	$ 210,452	$ 181,087

Barclay Operating Corporation

The Company owns a 48.9% interest in Barclay Operating Corporation ("BOC") which is accounted for under the equity method of accounting. In turn, BOC holds a 6.2% interest in 111 East 48th Street Holdings LLC ("111 East 48th Street") which owns the InterContinental Barclay hotel located in New York. A wholly owned subsidiary of the Company, IHG Management MD Barclay Sub LLC ("IHG Management"), holds a further 13.7% interest in 111 East 48th Street. BOC and IHG Management, together the IHG Member, own a combined 19.9% interest in 111 East 48th Street and both account for it under the equity method of accounting; the Company's effective interest is 16.7%. The InterContinental Barclay hotel is operated under a long-term management agreement with IHG Management (Maryland) LLC, a wholly owned subsidiary of the Company.

The Company's investment in BOC had a net book value of $158.4 million and $150.4 million at December 31, 2024 and 2023, respectively.

Six Continents Hotels, Inc.
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Notes to Consolidated Financial Statements (continued)

10. Investments in Unconsolidated Entities (continued)

The unaudited summarized balance sheet and income data of BOC were (in thousands):

	December 31	
	2024	**2023**
Receivables from affiliates	**$ 568,163**	$ 544,935
Equity accounted investment	**1,542**	234
	569,705	545,169
Total liabilities	**(243,942)**	(235,765)
Net assets (stockholders' equity)	**$ 325,763**	$ 309,404

BOC incurred net income (loss) of $16.4 million, $18.5 million and $(3.9) million in the years ended December 31, 2024, 2023 and 2022, respectively. No revenue was reported in those years.

IHG Management's direct investment in 111 East 48th Street had a net book value of $4.1 million, $1.9 million and $0 at December 31, 2024, 2023 and 2022, respectively.

2022 settlement agreement

As part of an agreed settlement of a commercial dispute in relation to 111 East 48th Street, during the year ended December 31, 2022 the IHG Member was allocated expenses in excess of its actual percentage share which directly reduced its current interest in 111 East 48th Street. This resulted in $60.0 million of additional expenses being allocated to the IHG Member during 2022 (of which $41.2 million was allocated to IHG Management), with a current tax benefit of $15.3 million (of which $10.5 million was allocated to IHG Management) and, applying equity accounting to this additional share of expenses, reduced the IHG Member's investment to $0. In addition, a liability of $18.0 million was recognized by the IHG Member, of which $12.4 million was recognized by IHG Management and was included in 'other payables' on the consolidated balance sheet at December 31, 2022. The value of the liability was linked to the value of the hotel; increases in property value were attributed first to the IHG Member and reflected as a reduction of the liability until it was reduced to $0. In 2023, the increase in fair value of the hotel (according to pricing opinions provided by a professional external valuer) resulted in a full reversal of the liability.

10. Investments in Unconsolidated Entities (continued)

The change in the fair value of the liability of $12.4 million was recognized within 'income (loss) from equity method investments' in the consolidated statements of net income.

Security deposit

Under the terms of the joint venture agreement, IHG Management (Maryland) LLC placed a $25.0 million security deposit in an escrow account of 111 East 48th Street during the year ended December 31, 2018. The security deposit, presented within 'cash and cash equivalents', is held for the purpose of funding shortfalls in owner returns. $3.5 million and $15.5 million was withdrawn from the deposit during the years ended December 31, 2021 and 2020, respectively, to fund working capital requirements and, in 2020, in connection with the refinancing of the hotel's senior bank loan. No amounts required release from the deposit during 2024, 2023 or 2022.

2021 owner return settlement

$18.0 million was charged to general and administrative expenses during the year ended December 31, 2021 in relation to a settlement of a commercial dispute regarding owner returns during the pandemic. The related settlement was paid during the year ended December 31, 2022 and was included in 'changes in accounts payable and accrued expenses' in the consolidated statements of cash flows.

Investments in other hotel ownership entities

At December 31, 2024, the Company held the following interests in entities that own hotels which are managed by the Company:

Common equity holding	Investment name
17%	CDC San Francisco LLC ("CDC")
27%	Carr Clark SWW Subventure, LLC ("Carr")
5%	LRR Holdings LLC ("LRR")
25%	NF III Seattle LLC and NF III Seattle Op Co, LLC (together "Seattle")

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Notes to Consolidated Financial Statements (continued)

10. Investments in Unconsolidated Entities (continued)

The Company accounts for these investments, which had a combined net book value of $9.7 million and $11.7 million at December 31, 2024 and 2023, respectively, under the equity method of accounting.

The combined unaudited summarized balance sheets and income data of the above investments is (in thousands):

	December 31	
	2024	**2023**
Current assets	**$ 22,037**	$ 21,854
Non-current assets	**264,565**	267,197
	286,602	289,051
Total liabilities	**(276,986)**	(259,453)
Net assets	**$ 9,616**	$ 29,598

	2024	**2023**	**2022**
Revenue	**$ 125,484**	$ 96,630	$ 87,616
Net (loss) income	**$ (1,326)**	$ 9,019	$ (7,970)

The Company has recognized its proportionate share of net losses and income in the consolidated statements of net income for the years ended December 31, 2024, 2023 and 2022, respectively.

In addition to the above equity accounted investments, the Company also has preferred equity investments in EDG Alpharetta EH, LLC (“EDG”), Six Senses New York and ASR JV One, LLC (“Aetna Springs”) with a combined net book value of $34.3 million and $12.1 million at December 31, 2024 and 2023, respectively.

10. Investments in Unconsolidated Entities (continued)

Aetna Springs

In 2023, the Company entered into a LLC operating agreement alongside Weller Development Company and Pegasus Capital Partners for the acquisition of Aetna Springs retreat property in Napa County, California. At December 31, 2024, the full $9.5 million has been invested as preferred equity earning 5% per annum, with a five-year repayment term.

Six Senses New York

In March 2024, the Company executed a joint-venture operating agreement to develop a Six Senses hotel in New York City with IHG signing a 40-year hotel management agreement on the resultant hotel. The Company's interest is reflected via $25 million in preference shares, with interest accruing at 8%. At inception, the fair value of the loan was recognized at $17.4 million within 'investments in unconsolidated entities' on the consolidated balance sheet and a corresponding contract asset representing the below market rate of interest of $7.6 million included within 'contract assets' in the consolidated balance sheet.

Groups360 LLC

In August 2019, the Company contributed $10 million for a 12.6% share of Groups360 LLC ("Groups360"), a joint venture formed to operate a comprehensive meetings and events marketplace for people planning meetings, events and group travel, and hoteliers. The Company contributed a further $1.0 million and $3.0 million alongside other investors as part of capital calls during 2024 and 2023 respectively.

Ongoing changes in the investment structure have changed the Company's investment share to 12.0%. The investment, which had a net book value of $4.0 million and $5.0 million at December 31, 2024 and 2023, respectively, is accounted for under the equity method of accounting. The Company has recognized its proportionate share of losses of $(2.0) million, $(2.5) million and $(3.0) million within 'System Fund and reimbursable expenses' in the consolidated statements of net income for the years ended December 31, 2024, 2023 and 2022, respectively. Additionally, a gain of $2.3 million arising from a change in investment structure was recognized in 'System Fund and reimbursable expenses' in the year ended December 31, 2022. The Company has no further commitment to invest in Groups360 as at December 31, 2024.

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Notes to Consolidated Financial Statements (continued)

10. Investments in Unconsolidated Entities (continued)

The unaudited summarized balance sheets and income data of Groups360 is (in thousands):

	December 31	
	2024	**2023**
Current assets	**$ 14,505**	$ 13,985
Non-current assets	**2,499**	3,637
	17,004	17,622
Total liabilities	**(19,986)**	(8,987)
Net assets	**$ (2,982)**	$ 8,635

	2024	**2023**	**2022**
Revenue (net)	**$ 9,903**	$ 4,711	$ 1,584
Net loss	**$ (17,376)**	$ (22,182)	$ (26,665)

11. Notes receivable

Notes receivable principally comprises loans to hotel owners.

In December 2023, the Company funded a mezzanine loan of $40 million for a new Kimpton hotel in New York City. The loan term is three years with extension options and an interest rate of 0% for the first four years, rising to 20% during the extension period. Of the $40 million investment, $26.3 million and $22.9 million (representing the fair value of the loan at December 31) is included in 'notes receivable' and $17.1 million and $17.1 million is included within 'contract assets' in the consolidated balance sheets at December 31, 2024 and 2023, respectively.

In August 2024, IHG funded a bridging loan of $30 million to secure a 30-year management agreement for a new-build 700-room InterContinental Hotel in Orlando. Interest will accrue at 6% in the first year and 8% in the second year and $25 million is ultimately expected to convert to key money with the balance repaid with interest. $7.3 million (representing the fair value of the loan at December 31) is included in 'notes receivable' and $23.0 million is included within 'contract assets' in the consolidated balance sheets.

12. Income Taxes

The Company is not required to file a separate tax return but is included in the consolidated federal income tax return of InterContinental Hotels Group Operating Corp. ("IHGOP"), its ultimate U.S. parent company. The Company's income tax provision and related tax asset and liability accounts are computed as if the Company filed a separate income tax return. The Company does not record inside basis differences on unconsolidated equity investments for C Corporations and instead evaluates the need to book the outside basis difference.

Under an intercompany agreement dated March 31, 2014, it was agreed that the Company's current income tax provisions as computed for these consolidated financial statements would be treated as non-shareholder capital contributions and shown as a component of the Parent's Investment. In accordance with the agreement, the Company's current year income tax provisions of $314.3 million, $251.0 million and $184.4 million for the years ended December 31, 2024, 2023 and 2022, respectively, have been recorded as non-shareholder capital contributions within Parent's Investment. These amounts are disclosed as 'Capital contributions related to income tax provisions' in the consolidated statement of changes in Parent's Investment for the years ended December 31, 2024, 2023 and 2022.

Federal income tax returns filed by the tax-paying parent of the Company are open for examination by the Internal Revenue Service for years 2021 through 2023. The parent of the Company is currently under audit for the tax years 2021 and 2022. The Company's state income tax returns are open for examination by various state taxing authorities for years 2019 through 2023.

The Company accounts for taxes on Global Intangible Low-Taxed Income ("GILTI") as period costs within provision for income taxes on the consolidated statements of net income.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax liabilities as of December 31, 2024 and 2023 are differences in book and tax bases of certain tangible and intangible assets, including trademarks and management agreements, together with deferred gains, pensions, deferred compensation plans, outside basis differences in investments and foreign tax credits. The net change during the year in the total valuation allowance is $7.6 million related to foreign tax credits.

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Notes to Consolidated Financial Statements (continued)

12. Income Taxes (continued)

Deferred tax assets and liabilities at December 31, 2024 and 2023, are (in thousands):

	2024	2023
Deferred tax assets	$ 265,229	$ 213,159
Deferred tax liabilities	(455,098)	(483,885)
Valuation allowance	(25,959)	(18,375)
Noncurrent deferred tax liabilities, net	$ (215,828)	$ (289,101)

Significant components of the provision (benefit) for income taxes for the years ended December 31, 2024, 2023 and 2022, are (in thousands):

	2024	2023	2022
Current:			
U.S. federal	**$ 234,070**	$ 182,588	$ 141,335
U.S. state	**85,046**	69,416	43,605
Foreign taxes	**15,655**	16,175	11,838
Total current	**334,771**	268,179	196,778
Deferred	**(75,356)**	(32,613)	(27,204)
Total	**$ 259,415**	$ 235,566	$ 169,574

The Company's effective tax rate of 26.14 percent differs from the U.S. Federal Income Tax rate of 21 percent due to taxes imposed by various state and foreign jurisdictions, credits for taxes paid to foreign jurisdictions, valuation allowance on foreign tax credits, permanent tax adjustments, including FDII deduction and System Fund, deferred tax liability adjustments, and changes in uncertain tax positions.

The Company operates, manages, and franchises hotels in a significant number of countries and consequently, a wide range of matters of interpretation of tax law arise in the normal course of business. Although reliance is placed on generally available interpretations in these countries, there is no certainty that the relevant tax authorities will agree with the Company's interpretation or that the Company's interpretation will be upheld. Consequently, it is possible that certain

12. Income Taxes (continued)

matters will be resolved adversely resulting in additional liabilities and cash tax settlements. The Company provides against all quantifiable tax exposures based upon best estimates and management's judgment in accordance with the requirements of ASC 740-10 concerning uncertain tax positions as described above.

In addition to income taxes recognized in the consolidated statements of net income, in the years ended December 31, 2024, 2023, and 2022, respectively, the Company recognized tax expense of $2.1 million, $0.8 million and $1.0 million in the consolidated statements of comprehensive income.

During the year ended December 31, 2024, the Company decreased its reserve for uncertain tax positions by $1.9 million, while during the years ended December 31, 2023 and 2022, the Company decreased its reserve by $0.3 million and $1.4 million respectively, for potential liabilities. The adjustment of these reserves affected the Company's effective tax rates by approximately 0.1%, 0.23% and 0.2% in the years ended December 31, 2024, 2023 and 2022, respectively. The Company does not expect any remaining uncertain tax positions will significantly increase or decrease within 12 months of the reporting date.

The Company has recorded $0 for interest and penalties related to uncertain tax positions in each of the three years ended December 31, 2024, 2023 and 2022.

The Company has recorded a deferred tax asset of $26.0 million related to foreign tax credit carryforwards, which expire in years 2026, 2029 and 2032 through 2034. Realization is dependent on generating sufficient foreign source income while also not being limited by the foreign tax credit limitation prior to expiration of the credit carryforwards. The Company does not believe it is more likely than not that these deferred tax assets for foreign tax credit carryforwards will be fully realized in the future, therefore, a full valuation allowance is recorded. The deferred tax asset could be adjusted in the near term if estimates of future credit limitation changes during the carryforward periods.

In general, it is the Company's practice and intention to reinvest the earnings of its non-U.S. subsidiaries in those operations with the exception of certain subsidiaries under the Partnership. As of December 31, 2024, the Company estimates that it has an outside basis difference in non-U.S. subsidiaries of approximately $157.1 million, which includes the cumulative undistributed earnings of the Company's non-U.S. subsidiaries. The Company continues to be permanently

12. Income Taxes (continued)

reinvested in $6.7 million of the total outside basis difference and has recorded a deferred tax liability of $3.1 million associated with the non-permanently reinvested earnings.

On August 16, 2022, the Inflation Reduction Act ("IRA") was signed into law in the United States. The Company is not expecting any of the enacted provisions from the IRA to impact the Company's income tax provision.

13. Related-Party Transactions

Receivables from and payables to affiliated companies included in current assets and current liabilities in the consolidated balance sheets consist of the following at December 31, 2024 and 2023 (in thousands):

	December 31	
	2024	**2023**
Receivables from affiliates	**$ 231,752**	$ 176,120
Payables to affiliates	**188,019**	158,435

These current amounts are of a working capital nature and generally represent charge-backs between regions that are non-interest-bearing.

Other long-term receivables from and payables to affiliated companies which are generally interest-bearing are netted and included as an offset in Parent's Investment in the consolidated balance sheets. Interest is paid on the balances with affiliates as due under the note agreements.

Interest income related to receivables from affiliates of $366.2 million, $325.7 million and $193.8 million for the years ended December 31, 2024, 2023 and 2022, respectively and interest expense related to payables to affiliates of $78.9 million, $73.3 million and $52.6 million for the years ended December 31, 2024, 2023 and 2022, respectively are presented on a net basis in the consolidated statements of net income.

As discussed in Note 7, certain employees of the Company participate in share-based compensation programs and are issued stock of IHG, the ultimate parent company of SCH, Inc.

13. Related-Party Transactions (continued)

The Company made net allocations of overhead expenses to affiliated companies of $155.4 million, $168.7 million and $134.6 million in the years ended December 31, 2024, 2023 and 2022, respectively. Additionally, the Company paid insurance expenses of 32.4 million, $28.8 million and $19.3 million for the years ended December 31, 2024, 2023 and 2022, respectively, to SCH Insurance Company Inc., a wholly owned subsidiary of the Parent. This expense primarily represents assessments of premium charges and estimated losses for U.S. medical healthcare stop loss and workers' compensation insurance.

The Company recognized in other revenue $61.7 million, $54.0 million and $46.5 million from affiliated companies in respect of service fee income in the years ended December 31, 2024, 2023, and 2022, respectively.

Net license fee expense charged by affiliated companies of $17.2 million, $16.7 million and $15.7 million was recognized as a deduction to fee business revenue for the years ended December 31, 2024, 2023 and 2022, respectively.

On January 1, 2011, the Company entered into a ten-year license agreement, with successive ten-year renewal options, with an affiliated company for the right to use the 'IHG' trademark. This was superseded on January 1, 2019 by a one-year agreement with automatic one-year extension periods unless either party gives the other notice to terminate. The royalty payment under these agreements of $3.2 million, $3.0 million and $2.8 million was recognized as a deduction to fee business revenue in the years ended December 31, 2024, 2023 and 2022, respectively.

The Company recognized mark-up cost charged by affiliated companies of $12.9 million, $16.2 million and $12.7 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Net guarantee fee costs charged by affiliated companies of $0.1, $0 and $0.2 million are included in 'other income (loss)' for the years ended December 31, 2024, 2023 and 2022, respectively.

As discussed in Note 12, amounts have been paid by IHGOP for the Company's current year income tax provisions of $314.3 million, $251.0 million and $184.4 million for the years ended December 31, 2024, 2023 and 2022, respectively.

13. Related-Party Transactions (continued)

These amounts are recorded in 'receivables from and payables to affiliates' within operating activities in the consolidated statements of cash flows. The ending balance in 'payables to affiliates' in the consolidated balance sheets is $0 as the amounts are then recorded as non-shareholder capital contributions.

14. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). A three-tier fair value hierarchy is used to define the inputs used in measuring fair value. These tiers are: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

As of December 31, 2024, 2023 and 2022, the Company held certain assets and liabilities that are required to be measured at fair value on a recurring basis. These are the defined benefit plans' assets, preferred equity investments and the marketable securities and related liabilities of the Company's Rabbi Trust.

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Notes to Consolidated Financial Statements (continued)

14. Fair Value Measurements (continued)

The following tables present the Company's assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2024 and 2023 (in thousands):

			Fair Value Measurements Using		
Description	**Carrying Value**	**Fair Value**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
At December 31, 2024					
Defined benefit plans' assets:					
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -
Marketable securities related to deferred compensation plans[(i)]	285,953	285,953	285,953	-	-
Preferred equity investments	30,832	30,832	-	-	30,832
Total	$ 316,785	$ 316,785	$ 285,953	$ -	$ 30,832
At December 31, 2023					
Defined benefit plans' assets:					
Cash and cash equivalents	$ 250	$ 250	$ 250	$ -	$ -
Marketable securities related to deferred compensation plans[(i)]	249,969	249,969	249,969	-	-
Preferred equity investments	8,529	8,529	-	-	8,529
Total	$ 258,748	$ 258,748	$ 250,219	$ -	$ 8,529

(i) also the fair value of the deferred compensation plan liabilities.

The level 3 investment was an addition during the prior year and the increase in 2024 reflects a further addition. There were no material transfers into and out of Level 3 during the year and there has been no change to the fair value.

15. Performance guarantees

From time to time, the Company will grant a performance guarantee to encourage property owners to enter into a management agreement. The Company has two outstanding guarantees at December 31, 2024 (three at December 31, 2023 and four at December 31, 2022), all provided by wholly owned subsidiaries of the Company.

Under these guarantees, amounts will become payable if performance hurdles, as defined in the relevant management agreements, are not met. The Company's maximum exposure under such guarantees was $11.0 million at December 31, 2024. Amounts will become payable if the performance hurdles are not met in future years.

16. Commitments and Contingencies

Loans guarantees

In limited cases, the Company may guarantee loans made to facilitate third-party ownership of hotels under franchise or management agreements with the Company. There were guarantees of $30.7 million and $50.2 million in place at December 31, 2024 and 2023, respectively. The likelihood of a payment under any of the guarantees is currently considered to be not probable. The largest guarantee is $21.3 million at December 31, 2024 and 2023 and the underlying loan matures in 2029. Should the Company fund any amount under the guarantee, there is a cross-indemnity that the Company would seek to pursue for the other partners' share.

Two of these guarantees contain covenants which give comfort over the financial strength of the Company. The Company does not expect to breach any of these covenants.

Litigation

In the normal course of business, the Company is subject to certain claims and litigation, including unasserted claims. The Company, based on its current knowledge and discussions with its legal counsel, is of the opinion that such matters will not have a material adverse effect on the financial position or results of operations or cash flows of the Company.

16. Commitments and Contingencies (continued)

2022 criminal unauthorized access to technology systems

On September 6, 2022, the Company announced that parts of the Group's technology systems had been subject to unauthorized activity causing disruption to IHG's booking channels and other applications. No evidence of unauthorized access to systems storing guest data was identified and precautionary regulatory notifications were filed and have been closed. A previously filed class action was dismissed in its entirety during 2024 and the contingency is eliminated.

Other

The Company had outstanding letters of credit of $20.1 million at both December 31, 2024 and 2023, mainly relating to self-insurance programs. The letters of credit do not have set expiry dates but are reviewed and amended as required.

In relation to external bank funding provided to 111 East 48th Street Holdings LLC (see Note 10), the Company has provided certain guarantees to the lenders as additional security for the loans. These guarantees include a guarantee of recourse obligations and an environmental indemnity. The guarantees are joint and several with the joint venture partner and re-allocated under a cross-indemnity such that any liability would be shared in accordance with the respective membership interests in 111 East 48th Street Holdings LLC.

In relation to a $40.0 million mezzanine loan provided (see Note 11), if, as mezzanine lender, the Company forecloses on the borrower's ownership interests, the Company. (or a substitute) will need to provide a guarantee of completion, payment and recourse acts and have a specified net worth.

16. Commitments and Contingencies (continued)

The Company has provided a guarantee in favor of InterContinental Hotels Corporation, an affiliated company, regarding the payment of an amount of $237.3 million owed by 111 East 48th Street Holdings LLC to InterContinental Hotels Corporation. There is a loan for the same amount from 111 East 48th Street Holdings LLC to another affiliate and the two loans are offset in the Parent's consolidated financial statements. As a result, no credit losses have been recorded related to this guarantee at December 31, 2024 and 2023.

17. Concentrations

The Company is required to disclose significant concentrations of its business consistent with the provisions of ASC 275, *Risks and Uncertainties*. The Company earned 36.7% of its management fee revenues from its four largest hotel owner group customers in the year ended December 31, 2024 (39.2% and 38.1% from the largest five hotel owner groups for the years ended December 31, 2023 and 2022, respectively).

During the years ended December 31, 2024, 2023 and 2022, the Company recognized revenues from foreign operations in the amounts of $80.5 million, $71.1 million and $54.5 million, respectively. For the years ended December 31, 2024, 2023 and 2022, this represented 6.1%, 5.6% and 4.7%, respectively, of total revenues generated, excluding System Fund and reimbursables.

From time to time the Company has bank balances in excess of Federally Insured Deposit Limitations. The Company has not experienced any losses in such accounts.

18. Subsequent Events

All subsequent events through April 15, 2025, the date these financial statements were available for issuance, have been evaluated.

EXHIBIT G-1

EXHIBIT G-1-1

IHG® VOICE RESERVATION SERVICE AGREEMENT

THIS IHG® VOICE RESERVATION SERVICE AGREEMENT (this "Agreement") is entered into as of the day of_____, 20 (the "Effective Date"), by and between SIX CONTINENTS HOTELS, INC. ("SCH"), and _____("Hotel Owner" or "Licensee") (each a "Party," and collectively the "Parties").

Background

A. Hotel Owner/Licensee is the owner or operator of the hotel known as the _____and located at_____(the "Hotel"). Five letter inn code:_____. Number of Rooms:_____.

B. Hotel Owner/Licensee operates the Hotel as InterContinental brand hotel pursuant to the terms and conditions of a license agreement with Holiday Hospitality Franchising, Inc. (f/k/a Holiday Inns Franchising, Inc.), an Affiliate of SCH. [or for IHG Managed Hotels ***operates the Hotel as an InterContinental brand hotel pursuant to the terms and conditions of a management agreement between_____[owning entity] and an affiliate of SCH***.

C. SCH operates reservations offices located in various locations (the "Office(s)") and has offered to have its Office(s) provide certain revenue and reservations services collectively known as IHG® Voice with respect to the Hotel and to certain other hotels operated under SCH brands, all subject to the terms and conditions of this Agreement. Hotel Owner/Licensee wishes to accept and participate in IHG® Voice with respect to the Hotel. As applicable throughout this Agreement, "SCH" includes affiliates of SCH.

Statement of Agreement

For and in consideration of the premises, the mutual benefits and promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, SCH and Hotel Owner/Licensee agree as follows:

1. Term and Termination of Agreement.

1. The term of this Agreement shall commence on the Effective Date and shall continue until terminated as provided below in Section 1.2 (the "Term").

2. This Agreement may be terminated as follows:

(a) In the event Hotel leaves the SCH system, this Agreement shall terminate on the date Hotel does so;

(b) Either Party may terminate this Agreement at any time, without cause, upon thirty (30) days written notice to the other Party;

(c) This Agreement may be terminated in accordance with the provisions set forth in Section 11 below; or

(d) This Agreement may be terminated by Hotel upon thirty (30) days prior written notice in the event Hotel does not agree with the revised Fees as set forth in Section 4 below.

2.Office Visit Credit. SCH encourages Hotel representative responsible for the Service to visit the Office prior to launch, however, any visits to the Office by the Hotel made within ninety (90) days of the launch of IHG Voice Reservation Service at the Hotel, and on an annual basis thereafter, shall entitle the Hotel to a credit. Upon completion of the initial visit to the Office, and upon completion of any annual visit to the Office, Hotel shall receive a one thousand dollar ($1,000) booking credit. Visits to the Office shall consist of certain activities. Such activities include, but are not limited to, a team meeting with the IHG Voice Reservation Service Team, listening to live IHG Voice Reservation Service and general reservations calls, a Hotel presentation to the agents and any applicableconsultation.

3.Cost of Startup. Hotel Owner is responsible for any startup costs incurred at the Hotel level as described, but not limited to, the below content.

1. An operator assisted link, pursuant to which the Hotel's telephone operator will answer all incoming calls and, if appropriate, transfer calls concerning reservations only to the Office. All Hotel telephone operators shall be properly trained so that no non-reservation calls are transferred to the Office. Hotel Owner must apply to SCH for an unpublished toll free number for the Hotel. Hotel Owner shall program such number into the Hotel's PBX system. If such work is not completed by Hotel Owner within thirty (30) days following issuance of the number by the Office, SCH may revoke such number and Hotel Owner must re-apply. Hotel Owner shall be responsible for any monthly service fee charged by the local phone vendor and/or long distance carrier, as well as for any programming expenses associated with setting up the IHG Voice Reservation Service link and/or for subsequent maintenance/repair expenses incurred at the Hotel level.

2. In addition to the operator assisted link, an automated link may be established with the Hotel's selected long distance carrier, which automatically diverts to the Office all incoming reservations calls. Hotel must secure and maintain, at its cost, a dedicated, toll free reservation line with Hotel's long distance carrier.

4.Cost of Services. Hotel Owner shall pay to SCH, in consideration for the services provided by SCH pursuant to this Agreement, the amount of $7.65 per net booking on all reservations booked by the Office for the Hotel ("Fee"). This Fee will also be applied to any net bookings made by the Office from Hotel-direct calls transferred to public InterContinental Hotels Group CRO telephone numbers. The Fee may be modified by SCH once per calendar year upon thirty (30) days prior written notice to Hotel Management. Any increases to the Fee will not exceed ten percent (10%) of the previous fee. SCH shall bill Hotel monthly for the Fees.

5.Description of Services. SCH shall, through the Office, provide to Hotel Owner and/or Hotel Owner's authorized representative the following services during the Term of this Agreement:

1. reservation services for all calls transferred to the Office from the Hotel;

2. telephone connections between the Hotel and the Office;

3. management and staffing of the Office by and with SCHemployees;

4. furnishing the Office with office equipment, hardware, software and furnishings;

5.performance reports with respect to calls transferred from the Hotel to the Office. Reports will reflect number of calls handled, number of rooms sold with confirmation percentage, number of room nights sold with average daily rate, and revenue produced.

6. Use and Hours of Operation. SCH may use the IHG Voice Reservation Office for the purposes described in this Agreement as well as for other revenue and reservation producing efforts and customary ancillary uses. The initial hours of operation are represented below and are subject to change based on call volume needs. Calls outside listed hours of operation will be supported by SCH global operations to ensure 24 hour coverage in English, French and Spanish.

Language	**Hours (Eastern Time)**
English	24 hours a day, 7 days a week
French	24 hours a day, 7 days a week
Spanish	24 hours a day, 7 days a week
Portuguese	8:00 AM – 9:00 PM Monday - Friday 8:00 AM – 7:00 PM Saturday - Sunday

7.Information Provided by Hotel Owner. Hotel Owner or its authorized representative shall provide to SCH the following information:

1. Presentations to the staff of the Office which will include updating and providing information about the Hotel; brochures and other information that will enhance the Office's ability to sell Hotel rooms;

2. Monthly updates of Local Negotiated Rates (LNR) accounts, and any special rates that may apply thereto, Direct Bill Accounts information with all pertinent details, additional groups, special promotions and Hotel information loaded into HOLIDEX Plus and IHG Hotel Content Manager website. Any such information is used by SCH and the Office for customer service purposes only;

3. Updates, as appropriate, of Hotel staff changes and hotelcontacts;

4. Access to Hotel facilities by the Office employees for the purpose of familiarizing them with the Hotel to enhance the ability to sell Hotel rooms;

5. Weekly updates to the Hotel's custom IHG® Hotel Content Manager internet site to include information on the above.

8.Office Staff. Hotel Owner acknowledges that all employees in the Office are employees of SCH and are subject to its hiring practices and policies of SCH.

9. IHG Voice Reservation Service Access and Authorization to Corporate Monitor

Hotel shall specifically grant SCH access, and authorizes SCH access, through SCH's Corporate Monitor program to Hotel's property management system and HolidexPlus to review and make changes to Hotel's inventory. SCH will use such Corporate Monitor access for activities designated by Hotel through the Hotel Content Manager Internet site and as otherwise needed to provide IHG Voice services to Hotel.
Hotel shall sign any required documentation in order to grant SCH such access.

10. Disclaimer/Limitation of Liability

1.EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, SCH DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, REGARDING ANY MATTER, INCLUDING THE MERCHANTABILITY, SUITABILITY, ORIGINALITY, FITNESS FOR A PARTICULAR USE OR PURPOSE OR RESULTS TO BE DERIVED FROM THE USE OF THE IHG VOICE SERVICE(S) PROVIDED UNDER THIS AGREEMENT.

2.SCH WILL NOT BE RESPONSIBLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, DIRECT OR SPECIAL DAMAGES, INCLUDING LOST PROFITS, BUSINESS INTERRUPTION, OR OTHER INCIDENTAL, PUNITIVE, OR ECONOMIC DAMAGES, WHETHER ARISING FROM HOTEL'S USE (OR INABILITY TO USE) OF THE IHG VOICE SERVICES PROVIDED HEREUNDER, OR OTHERWISE, EVEN IF SCH HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

11.Force Majeure. Upon the occurrence of an emergency or other event beyond the reasonable control of a Party which causes a failure to perform or delay in performance (except with regard to payment obligations), the affected Party's time of performance shall be extended, or cancelled, if and to the extent reasonably necessary.

12. Miscellaneous Provisions.

1. All notices, communications, requests or demands required or permitted to be sent pursuant to this Agreement (**except for execution of this agreement which shall be handled as outlined in 12.2 below**) shall be sent (i) by certified or registered mail, return receipt requested or (ii) by personal delivery or delivery by recognized overnight courier service to the Parties as follows:

In the case of SCH:

InterContinental Hotels Group
Three Ravinia Drive, Suite 100
Atlanta, GA 30346 USA
E-mail Address: ihgvoicecontracts@ihg.com

In the case of HOTEL:

2. For execution and delivery of the Agreement please sign and e-mail Agreement to ihgvoicecontracts@ihg.com and send an original copy, via postal mail to the address directly above.

3. This Agreement shall be governed by and construed under the laws of the State of Georgia, without application of the principles of conflicts of laws thereof.

4. The captions and headings of the various sections of this Agreement are intended for convenience of reference only and do not limit the content of the sections themselves.

5. This Agreement represents the entire agreement of the Parties as to the subject matter hereof and supersedes any prior agreements or understandings, oral or written, between the parties.

6. If any provision of this Agreement is declared to be illegal or unenforceable, the remainder of the Agreement shall not be affected by such illegality or unenforceability.

7. Except as specified in Sections 4 above, this Agreement may not be amended or changed except by the written agreement of SCH and Hotel Management.

8. Hotel Owner shall not assign or otherwise transfer this Agreement or any of its interest in this Agreement without the prior written consent of SCH, which consent shall not be unreasonably withheld or delayed. The Parties agree that it shall be reasonable for SCH to withhold consent to any such requested assignment or transfer if, among other reasons, the proposed assignee or transferee is not of good business reputation, is not financially sound or is a competitor of SCH. Notwithstanding the foregoing, Hotel Owner may, without SCH's consent, assign this Agreement to an entity which is controlled by, in control of or under common control with Hotel Owner, provided that Hotel Owner gives SCH written notice of such assignment within thirty (30) days following the effective date hereto.

9. The provisions of Sections 10 and 12 hereof shall survive the expiration or termination of this Agreement.

IN WITNESS WHEREOF, SCH and Hotel Owner have executed and delivered this IHG Voice Service Agreement as of the date first written above.

HOTEL OWNER:

Company Name: _____

Your Name: _____

Your Title: _____

Your Signature: _____

Your Mailing Address (street, city, state, zip):

_____

_____

_____

Email address: _____

Telephone number: _____

PRIMARY CONTACT FOR IHG VOICE **(at Hotel):**

Name: _____

Title: _____

Email address: _____

Telephone number: _____

SCH (for company use only):

SIX CONTINENTS HOTELS, INC.

By: _____

Name: Lia Balanag

Title: Director, Global Voice Programs
Voice Commercial Optimization

EXHIBIT G-2-1

IHG REVENUE SERVICES AGREEMENT

THIS AGREEMENT is made effective as of _____*[date]* between _____ _____ ("Client") and Six Continents Hotels, Inc. ("SCH").

In the event of a conflict between the provisions of any attachments hereto and the provisions set forth in this Agreement, the provisions of such attachments shall govern.

Background

A. Client is the _____(Ex: GM or Owner) of the hotel known as the_____ _____, located at _____(Address) (the "Hotel"), and has the authority to enter into this Agreement on behalf of the owner of the Hotel.

B. Client operates the Hotel as a _____ brand hotel pursuant to the terms and conditions of a license agreement with an affiliate of SCH.

C. SCH operates an Americas Region Revenue Management Department located at Three Ravinia Drive, Suite 100, Atlanta, Georgia 30346 ("Department") and has offered to have the Department provide certain revenue management services with respect to the Hotel subject to the terms and conditions of this Agreement. Such services are hereinafter referred to as "Services." Client wishes to accept and participate in such Services with respect to the Hotel.

1. Services.

SCH agrees to perform for Client the services listed below.

Active participation from hotel management is required in order to maximize the benefit of IHG REVENUE SERVICES (RMH). Client agrees that SCH shall have ready access to Client's staff and resources as necessary to perform SCH's services provided for by this contract.

Your IHG REVENUE SERVICES (RMH), Portfolio Revenue Manager consulting schedule will be based on a 48-week year and will be determined by an IHG REVENUE SERVICES (RMH) Regional Director. During these calls we will establish short term strategies for the hotel.

If your hotel qualifies to move to another level of the IHG REVENUE SERVICES (RMH) program at any point during the agreement, you may do so one (1) time per agreement cycle.

With IHG REVENUE SERVICES (RMH), your Portfolio Revenue Manager will review rate and inventory opportunities on a more frequent basis and may decide that one or more rate changes is needed, or that multiple changes are needed on a given day. With this option you understand and agree that your Portfolio Revenue Manager will notify you of all recommended and implemented rate changes but will enter those changes into IHG's systems without waiting for your approval or confirmation. As a result, it is important that you remain engaged and attentive to their communications so that you can make changes to anything the Portfolio Revenue Manager recommends or implements, in the event that you decide to do so.

For hotels that are participating in the FedRooms Program, your Portfolio Revenue Manager will be alerted to any parity violations for the next 50 weeks and resolve the issue immediately, and then follow up with your hotel on the dates and action taken.

2. **Rate of Payment for Services**.

Client agrees to pay SCH for Services in accordance with the schedule contained in either Exhibit A1 or A2, as applicable, attached hereto and incorporated herein by reference. At any time and without cause, SCH may modify the pricing and such modifications shall become effective upon ninety (90) days notice to Client.

3. **Invoicing.**

Client shall pay the amounts agreed to herein upon receipt of invoices which shall be sent by SCH, and Client shall pay the amount of such invoices to SCH. Any fees or other amounts due under this Agreement not received by SCH on or before such invoice is due shall bear interest at the rate of one and a half percent (1.5%) per month, calculated on a daily basis, until paid in full.

4. **Confidential Information.**

Neither party hereto shall disclose to any non-party to the Agreement, any confidential information of such other party. Confidential information is information which relates to the other party's research, development, trade secrets, marketing plans, or business affairs, but does not include information which is generally known or easily ascertainable by non-parties.

SCH hereby acknowledges that during the performance of this contract, SCH may learn or receive confidential Client information and therefore SCH hereby confirms that all such information relating to the Client's business will be kept confidential by SCH, except to the extent that such information is required to be divulged to SCH's clerical or support staff or associates in order to enable SCH to perform SCH's services under this Agreement or is required to be disclosed pursuant to a subpoena, court order or other applicable law.

5. **Staff, Use and Hours of Operation.**

SCH is an independent contractor and neither SCH nor SCH's staff is or shall be deemed to be employed by Client. Client is hereby contracting with SCH for the Services described on above in Section 1 and SCH reserves the right to determine the method, manner and means by which the Services will be performed. The Services shall be performed by SCH or SCH's staff, and Client shall not be required to hire, supervise or pay any assistants to help SCH perform the Services under this agreement.

SCH shall not be required to devote SCH's full time nor the full time of SCH's staff to the performance of the Services required hereunder, and it is acknowledged that SCH has other Clients within the SCH family of brands. The order or sequence in which the Services are to be performed shall be under the sole control of SCH. Except to the extent that SCH's Services must be performed on or with Client's computers or Client's existing software, and except to the extent specified in Exhibit A, all materials used in providing the Services shall be provided by SCH.

Each of the parties hereto agrees that, while performing Services under this Agreement, and for a period of three (3) months following the termination of this Agreement, neither party will, except with the other

party's written approval, solicit or offer employment to the other party's employees or staff engaged in any efforts under this Agreement.

SCH shall keep the Department staffed and open for business during normal business hours in the U.S. Eastern time zone, excluding holidays.

6. **Term of Agreement.**
    1. The term of this Agreement shall commence as of January 1, 2024 , and shall continue for an initial term of twelve (12) months, provided that this Agreement is not earlier terminated as more particularly described below ("Initial Term").
    2. After the Initial Term, this Agreement shall automatically renew for additional one-year Terms, although either party may terminate this Agreement without cause (a) during a renewal Term, upon 90 days prior written notice to the other party, or (b) upon notice of non-renewal of at least 30 days prior to the end of a Term. If client terminates, client's agreement may continue and may continue to be billed for services for longer than 90 days if client is not meeting the Revenue Management Certification Standard and/or any other applicable IHG Brand Standard in an alternate, approved way.
    3. Termination & Change of Control. In the event of a termination or expiration of the License Agreement, SCH may elect to terminate this Agreement immediately upon written notice to Client. In the event of a "Change of Control" (defined as a change in total or complete ownership of the Hotel and/or in an event when new partial or majority ownership of the Hotel , whether by merger, investment, or acquisition, results in involvement of another party to the License Agreement that places SCH in a disadvantage if the existing terms of this Agreement are maintained), SCH may elect to terminate this Agreement immediately upon written notice to Client. In the event of such termination by SCH only Sections 2, 3, 4, 7, 8, 9, 10, 11, 13, 14 and 18 herein shall survive such termination.
    4. Either party may terminate this Agreement upon providing ninety (90) days prior written notice to the other party.
    5. If Client is participating with a third party intermediary (TPI) that is not certified by SCH, even if Client has obtained a waiver to participate with said non-certified TPI, this agreement shall be terminated upon notice to Client.
7. **Default.**

Any party to this Agreement shall be deemed to be in default hereunder if (a) such party fails to pay any sum due hereunder on or before the fifteenth (15th) day after the invoice mailing date thereof, or (b) such party fails to perform any other obligation hereunder on or before the thirtieth (30th) day following mailing of written notice of such failure by the other party. If the default is not cured within thirty (30) days of the mailing of a termination notice, this Agreement will terminate. Provided, however, that if the non-monetary default at issue is not reasonably susceptible of being cured within such thirty (30) days, such thirty (30) day period shall be extended as reasonably necessary to allow the defaulting party to effect a cure, but in no event longer than a grace period of an additional thirty (30) days. If the defaulting party fails to cure its default within any applicable cure or grace period, the non-defaulting party may terminate this Agreement.

8. **Use of Work Product.**

Except as specifically set forth in writing and signed by both Client and SCH, all work product, whether or not copyrightable or patentable, developed for Client by SCH or utilized solely for Client while performing Services for Client pursuant to this Agreement, shall be the sole and exclusive property of SCH. Client is hereby granted a limited, revocable, nonexclusive license to use and employ such work product within the Client's business during the term of this Agreement.

9. **Client Representative.**

The following individual _____shall represent the Client during the performance of this Agreement with respect to the services and deliverables as defined herein and shall have the authority to execute written modifications or additions to this contract pursuant to Section 15.

10. **Taxes.**

Any and all taxes, except income taxes of SCH, imposed or assessed by reason of this contract or its performance, including but not limited to sales or use taxes, shall be paid by Client. Client and SCH specifically agree that SCH is not an employee of Client. In the event foreign, federal, state or local taxes are assessed on the Services and SCH has paid for such taxes, Client shall promptly reimburse SCH for all such taxes except for those taxes based on the income of SCH, SCH employees, or personnel provided by SCH pursuant to this Agreement.

11. **Liability.**

SCH warrants to Client that the analysis, data, and services to be delivered or rendered hereunder, will be of the kind and quality described in Exhibit A and will be performed by qualified personnel.

SCH MAKES NO OTHER WARRANTIES, WHETHER WRITTEN, ORAL OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTY OF FITNESS FOR PURPOSE OR MERCHANTABILITY. IN NO EVENT SHALL SCH BE LIABLE FOR SPECIAL OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, ANY DAMAGES RELATED TO THE AMOUNTS OF THE CLIENT'S REVENUE OR PROFITS, EITHER IN CONTRACT OR TORT, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED TO SCH IN ADVANCE OR COULD HAVE BEEN REASONABLY FORESEEN BY SCH, AND IN THE EVENT THIS LIMITATION OF DAMAGES IS HELD UNENFORCEABLE THEN THE PARTIES AGREE THAT BY REASON OF THE DIFFICULTY IN FORESEEING POSSIBLE DAMAGES ALL LIABILITY TO CLIENT SHALL BE LIMITED TO ONE HUNDRED DOLLARS ($100.00) AS LIQUIDATED DAMAGES AND NOT AS A PENALTY.

12. **Complete Agreement.**

This agreement contains the entire agreement between the parties hereto with respect to the matters covered herein. No other agreements, representations, warranties or other matters, oral or written, purportedly agreed to or represented by or on behalf of SCH by any of its employees or agents, or contained in any sales materials or brochures, shall be deemed to bind the parties hereto with respect to the subject matter hereof. Client acknowledges that it is entering into this Agreement solely on the basis of the representations contained herein.

13. Applicable Law.

The parties shall each comply with all applicable federal, state and local employment and other laws, government regulations and orders. This Agreement shall be construed in accordance with the laws of the State of Georgia. Venue for any claim, suit, or action for enforcement of any provision of this Agreement shall lie in the state or federal courts located in the State of Georgia, Fulton or DeKalb County, to the exclusion of all others.

14. Scope of Agreement.

If the scope of any of the provisions of the Agreement is too broad in any respect whatsoever to permit enforcement to its full extent, then such provisions shall be enforced to the maximum extent permitted by law, and the parties hereto consent and agree that such scope may be judicially modified accordingly and that the whole of such provisions of this Agreement shall not thereby fail, but that the scope of such provisions shall be curtailed only to the extent necessary to conform to law.

15. Additional Work.

If the parties agree upon additional services to be performed for Client by SCH and upon the additional compensation to be paid to SCH for such additional services, the parties shall both execute a document confirming such terms and such document shall become an amendment to this Agreement.

16. Notices.

(i). Notices to Client should be sent to (Address): (if other than hotel)

(ii). Notices to SCH should be sent to: InterContinental Hotels Group, Revenue Management Department, Attention Director of Revenue Management Services, 3 Ravinia Drive, Suite 100, Atlanta, GA 30346-2121, with a copy sent by fax to Legal Department (678-894-4128).

17. Assignment.

Client shall not assign or otherwise transfer this Agreement or any of its interest in this Agreement without the prior written consent of SCH. Except for the prohibition on assignment contained in the

preceding sentence, this Agreement shall be binding upon and inure to the benefits of the heirs, successors and assigns of the parties hereto.

18. Illegality of Agreement.

If any provision of this Agreement is declared to be illegal or unenforceable, the remainder of the Agreement shall not be affected by such illegality or unenforceability.

19. Exclusivity.

SCH may provide similar services to other hotel owners. Client does not have an exclusive right to receive the Services from SCH.

20. Litigation Costs.

In the event of any action, suit or proceeding related to this Agreement, the prevailing party, in addition to its rights and remedies otherwise available shall be entitled to receive reimbursement of reasonable attorney's fees and costs and court costs.

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed by an authorized person as of the date first above written.

SIX CONTINENTS HOTELS, INC.

By (signature): Stephanie Ochs

Name: Stephanie Ochs

Title: VP,Revenue Management, Franchise US

Date: December 15, 2023

Hotel Name:

By (Signature):

Name:

Title: _____

Date: _____

Exhibit A1

Compensation – Revenue Management for Hire

Premium Revenue Services

This Comprehensive service level is offered at a cost of **$3300 USD** per month.

Given the above statement…client shall compensate SCH at a rate of **$3300 USD** per month. An invoice will be sent monthly to Client and shall be due fifteen (15) days from the date of such invoice mailing.

Hotels will be charged a one-time registration fee **($800 USD**) in the first month of service. This fee only applies to new hotels to IHG Revenue Services (RMH) (including NHOP).

SCH shall be reimbursed at actual cost for all travel related expenses (if travel is required or requested by Client) incurred by SCH personnel. This fee will be charged to the hotel once the visit has been completed.

Revenue Strategy Calls

- Your IHG REVENUE SERVICES (RMH) Portfolio Revenue Manager will have a standing revenue conference call with your hotel management team. At a minimum, hotels will receive up to 3 hours of dedicated call time per week, but frequency can vary based on hotel need, in accordance with schedule parameters detailed in Section 1 – Services.

Revenue Strategy, Performance Analysis & Activation

- Evaluate Retail Pricing and Fences
- Competitive Rate Analysis and Room Type Benchmarking
- Proactive LNR and Group rate strategy activation
- Review and Implement Packages and Promotions
- Review of Future Pace and Pick Up
- Detailed Market Segmentation & Business Mix Analysis

Systems Management

- IHG Concerto Pricing & Inventory Management Controls, Yielding & Price Optimization, Group Management & Evaluation (where applicable)
- Comprehensive System Audit and Management

Hotel Information:

Hotel Inn Code_____

Primary Contact Name _____

Primary Contact Position_____

Primary Contact Phone Number _____

Primary Contact Email _____

General Managers Name_____

GM Phone Number_____

GM E-Mail_____

Secondary Contact Name_____

Secondary Contact Position_____

Secondary Contact Phone Number _____

Secondary E-Mail _____

EXHIBIT G-3-1

IHG® Hotels & Resorts

New Coca-Cola Agreement and Request for E-Signature

In a continued effort to provide a best-in-class beverage program for guest and owners, IHG® has recently renegotiated the Master Services Agreement with Coca-Cola®:

Agreement Highlights:

- Lowers product costs for IHG® hotels by approximately 7% on average
- Secures access to equipment & unlimited service calls free of charge
- Provides incremental marketing capacity for IHG revenue-driving campaigns and F&B initiatives
- ***ALL applicable hotels are required to sign a NEW Coca-Cola Participation Agreement to receive the negotiated pricing & remain compliant with the existing brand standard (ID 55838)***.

NOTE: If your hotel has recently opened, you may have signed a previous agreement. Signing the December 2020 agreement IS REQUIRED.

Questions? Go to IHG Merlin and search Coca-Cola Beverage Program. If your questions are not answered in the Merlin article, please email CokeContracts@ihg.com.

Hotel Information

Inn Code	
Hotel Brand	
Hotel Name	
Address	
City	
State	
Zip	
Phone	

(for Open hotels)

COCA-COLA
SIX CONTINENTS HOTELS, INC.

HOTEL PARTICIPATION AGREEMENT

1. DEFINITIONS

Capitalized terms not otherwise defined herein are defined in **Exhibit B**.

2. SCOPE OF AGREEMENT

This Hotel Participation Agreement (the "Agreement") is entered into in connection with the 2020 United States Beverage Marketing Agreement between The Coca-Cola Company and Six Continents Hotels, Inc. ("IHG"), an InterContinental Hotels Group company, dated January 1, 2020 (the "Beverage Marketing Agreement" or "BMA"), and is between (A) the undersigned owner or manager of the "Hotel" named herein (in the IHG hotel system), and (B) The Coca-Cola Company, acting by and through its Coca-Cola North America Group, ("Company"). Hotel desires to participate in certain programs as a "Hotel" under the BMA, which requires execution of this Agreement by Hotel and in connection therewith the purchase of certain Company products or equipment (Dispensers) pursuant to this Agreement for the Hotel named herein. With respect to those provisions relating to Bottler Bottle/Can Beverages, this Agreement will only apply to each Hotel that is located in the geographic territory in which a given Bottler is authorized to distribute, promote, market, and sell Bottler Bottle/Can Beverages. Subject to the further provisions of this Agreement, if any Hotel is eligible for an alternate marketing or funding program offered directly or indirectly by Company or any of its subsidiaries or Authorized Bottlers, Company in its sole discretion will determine which marketing or funding program will be made available to that Hotel. In no event will any Hotel be eligible for more than one marketing or funding program offered by Company, or any of its subsidiaries or Authorized Bottlers. Customer agrees to provide Company with written notice of the opening, acquisition, change in ownership, termination of license agreement, or closing of any Hotel as promptly as is consistent with Customer's business processes.

3. EFFECTIVE DATE AND TERM

This Agreement will become effective when signed by an authorized representative of each of Company and Customer (the "**Agreement Effective Date**"). The "**Term Effective Date**" will be January 1, 2020, provided this Agreement is signed on or before September 30, 2020; or (ii) if this Agreement is signed after September 30, 2020, the Term Effective Date will be the first day of the month in which this Agreement is signed by Customer. The term of the Agreement will continue from the Term Effective Date until the expiration or earlier termination of the beverage marketing agreement between Company and Six Continents Hotels, Inc. dated January 1, 2020 (the "**Term**").

4. EXHIBITS

This Agreement also consists of the following:

i. **Exhibits A-1 through A-4** Program Terms and Conditions
ii. **Exhibit B** Definitions
iii. **Exhibit C** Standard Terms and Conditions
iv. **Exhibit D** Dispensing Equipment Lease
v. **Exhibit E** Additional Terms

THE COCA-COLA COMPANY, acting by and through its COCA-COLA NORTH AMERICA GROUP

Signature Krista L Schulte _____

Date: December 3, 2020

Title: SVP Strategic Partnership Marketing

HOTEL: FRANCHISEE or MANAGEMENT COMPANY (on behalf of Owner)

Franchisee Legal Business Name

_____

Signed by: _____

Signature: _____

Date: _____

Title: _____

EXHIBIT A-1
FOUNTAIN PROGRAM TERMS AND CONDITIONS

1. AVAILABILITY

1.1 Company Fountain Beverages

The Hotels that serve Fountain Beverages will serve a core brand set of Company Fountain Beverages that consists of Coca-Cola®, Diet Coke®, Sprite® and Coke Zero™, and the remaining Company Fountain Beverages will be selected by Customer, subject to Company's approval, which shall not be unreasonably withheld. All Fountain Beverages served in the Hotels must be Company Fountain Beverages, except for the Fountain Beverage Permitted Exception. In addition, no Hotel may dedicate any valve on a Dispenser leased from Company to dispense tap water. For the avoidance of doubt, each Hotel shall be able to serve water on one valve per Dispenser through a Subtab Mechanism. Company will use its commercially reasonable efforts to make a line of Company Fountain Syrups that is as broad as possible (based on local geography) available to each Hotel in order to allow Customer to fulfill its obligations under this Agreement.

1.2 Permitted Exception

Hotels in the State of Texas, subject to the Fair Share provisions described in Section 7 of this Exhibit A-1, may serve Dr Pepper®, but only on one valve per Dispenser per Hotel (the "**Fountain Beverage Permitted Exception**").

2. PRICING

During the Term, each Hotel will have the right to purchase Company Fountain Syrups from Company at Company's then-current published chain account prices, which prices are subject to change from time to time.

3. FOUNTAIN BEVERAGE PERFORMANCE CRITERIA

Customer agrees comply with all of the following performance criteria:

i. As applicable, include approved renditions of Company brands, trademarks and/or logos on menus and merchandise at point of order at each Hotel.

ii. Beginning in calendar year 2021, and each Year of the Term therafter, execute a minimum of two (2) promotional programs featuring Company Fountain Beverages as agreed upon by the parties.

iii. Provide regular access to Company Beverage sales data.

iv. Perform those additional Company Fountain Beverage marketing activities as directed by IHG.

4 EQUIPMENT PROGRAM

Where permitted by law, Company will lease to Customer without any additional charge during the Term the Dispensers owned by Company as follows: (i) for Hotels existing as of the Agreement Effective Date, the Dispensers that are currently installed, without extending the equipment lease term length of any such currently installed Dispensers, and (ii) for each Hotel that becomes a Hotel during the Term, the Dispensers reasonably necessary to enable such Hotel to dispense a quality Fountain Beverage. With respect to new and/or acquired hotels that become Hotels during the Term, unless otherwise mutually agreed upon by the parties, Dispensers will be placed in such new or acquired Hotel only if such Hotel is forecast to purchase a minimum of 400 gallons of Company's Fountain Syrups per Year. Customer will use commercially reasonable efforts to assist in the conversion of any Hotels purchasing less than 400 gallons of Company's Fountain Syrups per Year to a Bottle/Can Program as described in **Exhibit A-3**. No ice makers or water filters will be provided to any Hotel under this Agreement. Equipment innovations that require a separate agreement (such as Coca-Cola Freestyle) will also not be provided without a separate agreement. No Hotel will alter or add to any Dispenser provided by Company without Company's prior written consent.

In any state where a lease without any additional charge is not permitted (e.g., in Wisconsin) or Customer elects to lease additional Dispensers, such Dispensers will be leased to Customer at an annual lease rate calculated by multiplying the total installed cost of the additional Dispensers by the then-current lease factor. The lease factor currently in effect for Dispensers is 0.24. Should the lease factor change during the Term, any Dispenser installed after the change goes into effect will be subject to the new lease factor. For the avoidance of doubt, if the ownership and/or management of a Hotel changes, the then-current lease factor will remain in effect for that Hotel. Charges will be invoiced. Any unpaid invoices will be handled as follows (the "**Unpaid Invoice Procedure**"): All unpaid invoices by a Hotel will be subject to Company's payment/credit terms and conditions applicable to such Hotel. Furthermore, Company may refuse to deliver further any Company Beverages to the affected Hotel until the unpaid invoice is satisfied.

All Dispensers provided by Company will at all times remain the property of Company and are subject to the terms and conditions of the Lease except as specifically changed by the Program Terms and Conditions or the Standard Terms and Conditions of this Agreement.

At a minimum, equipment provided pursuant to this Exhibit A-1 shall include, at no cost to Customer in a quantity reasonably necessary for each Hotel*:*

Fountain Equipment (except in portable bars)
New Lines (as needed)
Bar Guns

5. SERVICE PROGRAM

Company will provide at no charge routine mechanical repair including line replacements and flavor changes/additions that are reasonable and necessary for Dispensers. Hotels must utilize Company's service network for such service. Any Special Service Calls are not considered routine service and will not be provided free of charge. Charges for Special Service Calls or for routine mechanical repair calls will be charged at Company's then current rates. Such charges will be invoiced*.* Charges will include labor, travel time, parts, and administrative costs. Any unpaid invoices by a Hotel will be handled in accordance with the Unpaid Invoice Procedure set forth above.

Company will not be obligated to provide service when it is prevented from doing so due to strikes, civil disturbances, unavailability of parts or other causes beyond the reasonable control of Company. Company will not be liable for damages of any kind arising out of delays in rendering service for such reasons. In such cases, the Hotels will continue to comply with the Agreement, but only to the extent reasonably possible under the circumstances.

6. FAIR SHARE

If Customer desires to serve Dr Pepper as set forth above in the Permitted Exception, an additional annual fair share lease charge of $300 for each one of those valves will be incurred. Charges will be invoiced to each Hotel. Any unpaid invoices by a Hotel will be handled in accordance with the Unpaid Invoice Procedure set forth above.

EXHIBIT A-2
JUICE AND FAIRLIFE MILK PROGRAM TERMS AND CONDITIONS

1. AVAILABILITY

1.1 TCCC Juice

The Hotels will serve a core brand set of Company Fountain Juice and Bottler Bottle/Can Juice (collectively, "**TCCC Juice**") products, as indicated below (or such substitute products that may become available and reasonably approved by Customer) for dispensing in the Hotels. All Juice served in the Hotels, with the exception of Juice Beverage Permitted Exceptions defined below, will be TCCC Juice. Company will use its commercially reasonable efforts to make TCCC Juice available to each Hotel as set forth below in order to allow Customer to fulfill its obligations under this Agreement. At a minimum, the Juice Beverages listed in Section 3.1 below must be available to Hotels at the pricing made available under this Agreement.

Juice Product	**Customer Brand Where Available**
Frozen Dispensed Juice (Minute Maid Frozen Concentrate Juice)	Mainstream Brands (Excluding Holiday Inn)
Not From Concentrate (Simply Orange)	Upscale & Luxury Brands and Holiday Inn

Subject to applicable law and agreements to which Customer is subject, Customer will use commercially reasonable efforts to facilitate Company access to the Hotels to present new products for consideration.

1.2 Fairlife Milk

The Hotels may serve Company's Fairlife brand milk, and purchases of Fairlife will earn funding as set forth below.

1.3 Permitted Exceptions

Notwithstanding the foregoing, Hotels may serve the following Competitive Beverages that are Juice (the "Juice Beverage Permitted Exceptions"): (i) juice that is freshly-squeezed on the premises; (ii) Juice provided by Royal Cup at only those Hotels operated under the Holiday Inn Express tradename; and (iii) Competitive Juice Beverages that Company and Six Continents Hotels, Inc. mutually agree may be served in the Hotels. If any Juice Permitted Exception becomes a Product of PepsiCo at a later date, that Competitive Beverage will no longer be deemed a Juice Permitted Exception.

2. PRICING

Company agrees that during the Term, Customer will have the right to purchase Juice from Company at Company's then-current published chain account prices, which prices are subject to change from time to time. Further, for Minute Maid Frozen Concentrate Juice (a/k/a "Frozen Dispensed") ("**MMFD**"), Company agrees to provide certain deviated pricing, as set forth below.

2.1 MMFD List Price Deviation

For MMFD, the amount of deviation from list price is shown below and will be applied on each Physical Case of MMFD that each Hotel purchases. List price deviation will be available to Hotels only for purchases of MMFD from an Authorized Distributor of Company's Juices. Deviation will be deducted from the MMFD invoices. List prices as of the date of this Agreement are as noted below and may fluctuate.

Item	2020 List Price	Deviation from List Price (amount deducted from retail price)
4/90 oz. Minute Maid® Orange Juice 5+1	$129.77	$29.68
4/90 oz. Minute Maid® Apple Juice 6+1	$125.11	$22.11
4/90 oz. Minute Maid® Orange Guava Passionfruit 5+1	$94.72	$13.25
4/90 oz. Minute Maid® Lemonade 6+1	$67.38	$14.95

2.2 Simply Juice Pricing

For Simply Juice, the current pricing for 6/52 oz. PET (bottled) packaging is $24.15 per Physical Case. Simply Juice price is quoted "FOB Distributor." Nothwithstanding that Simply Juice is quoted "FOB Distributor", Company acknowledges and agrees that it shall bear the incremental costs of redistribution necessary to deliver the product to distribution centers; estimated to be $2.60 per Physical Case throughout the term.

3. JUICE BEVERAGE PERFORMANCE CRITERIA

To qualify for the program set forth in this Exhibit A-2, Customer must comply with all of the following performance criteria:

i. As applicable, include approved renditions of Company Juice brands, trademarks and/or logos on menus and merchandising materials in each Hotel.

ii. Perform those additional Company Juice marketing activities the parties mutually agree upon.

4. EQUIPMENT PROGRAM

For MMFD, Company will lease to Customer without any additional charge during the Term, the Company approved equipment reasonably necessary to enable such Hotels to dispense a quality Juice Beverage. Customer agrees that the only Beverages served on Company's Juice equipment provided by Company will be TCCC Juice brands. No ice makers or water filters will be provided to any Hotel under this Agreement. Equipment innovations that require a separate agreement (such as Coca-Cola Freestyle) will also not be provided without a separate agreement. No Hotel will alter or add to any equipment provided by Company without Company's prior written consent.

If Customer elects to lease additional equipment, such equipment will be leased to Customer at an annual lease rate calculated by multiplying the total installed cost of the additional equipment by the then-current lease factor. The lease factor currently in effect for equipment is 0.24. Should the lease factor change during the Term, any equipment installed after the change goes into effect will be subject to the new lease factor. For the avoidance of doubt, if the ownership and/or management of a Hotel changes, the then-current lease factor will remain in effect for that Hotel. Lease charges, if any, will be invoiced. Any unpaid invoices by a Hotel will be handled in accordance with the Unpaid Invoice Procedure defined in Exhibit A-1, Section 5. All equipment provided by Company will at all times remain the property of Company and are subject to the terms and conditions of the Lease except as specifically changed by any of the Program Terms and Conditions or Standard Terms and Conditions of this Agreement.

At a minimum, equipment provided pursuant to this Exhibit A-2 shall include at no cost to Customer in a quantity reasonably necessary for each Hotel:

Orange Juice Carafes

- Company will provide 2 cases (24 carafes) of Simply juice carafes to each Hotel in the Holiday Inn and Crowne Plaza brands in Year 1
- Company will provide a maximum of 1 additional case (12 carafes) for each Hotel in the Holiday Inn and Crowne Plaza brands in Year 2 through the remainder of the Term

5. SERVICE PROGRAM

Customer may use Company's service network without any additional charge for all ordinary course mechanical repairs reasonably needed for Juice equipment provided by Company. Service in respect of Juice equipment will be on the terms and conditions set forth in Section 6.1 of **Exhibit A-1** attached to this Agreement.

EXHIBIT A-3
BOTTLE/CAN PROGRAM TERMS AND CONDITIONS

1. AVAILABILITY

Each Hotel will make available a core brand set of Bottler Bottle/Can Beverages, subject to availability from Bottler, that consists of Coca-Cola®, Diet Coke®, Sprite® and Coke Zero™, and the remaining Bottler Bottle/Can Beverages will be selected by Customer, subject to Company's approval, which shall not be unreasonably withheld. All Bottle/Can Beverages served in the Hotels will be Bottler Bottle/Can Beverages, except for the Bottle/Can Beverage Permitted Exceptions defined below. Company and Bottler will use their commercially reasonable efforts to make a line of Bottler Bottle/Can Beverages that is as broad as possible (based on local market) available to each Hotel in order to allow Customer to fulfill its obligations under this Agreement. At a minimum, the Beverages listed in Section 3 below must be available to Hotels at the pricing made available under this Agreement.

Notwithstanding the foregoing, Hotels may serve the following Competitive Beverages in Bottle/Can Beverage form (the "**Bottle Can/Beverage Permitted Exceptions**"): (i) Pellegrino bottled water; (ii) Fred brand bottled water at Kimpton hotels only; (iii) bottled water sold in a glass bottle, provided it is not a Product of PepsiCo, (iv) water offered to hotel guests on a complimentary basis, provided such water is not a Product of PepsiCo; and (v) up to 10% of the space allocated to Bottle/Can Beverages in Customer-owned Beverage coolers or displays may feature Competitive Beverages, provided that such brands are (i) not Products of PepsiCo, (ii) are not Sparkling Beverages, and (iii) are not Juice Beverages, except for those Beverages that are local, niche brands for which Company does not provide a product offering and may contain juice as an ingredient. If any Bottle/Can Beverage Permitted Exception becomes a Product of PepsiCo at a later date, that Competitive Beverage will no longer be deemed a Bottle/Can Beverage Permitted Exception, unless that Customer has an agreement with such Competitive Beverage supplier, in which such Competitive Beverage will be considered a Permitted Exception until the expiration of such agreement. Customer acknowledges that all Bottle/Can Beverages displayed in Bottler-owned Cold Drink Equipment must be a Bottler Bottle/Can Beverages.

2. PRICING

Effective during the time period commencing thirty (30) days after the date this Agreement is fully signed or the first day of the Term, whichever is later, and ending December 31, 2025, Bottler will charge no more than the price ceilings for the Bottler Bottle/Can Beverages identified in the table below. Price ceilings for all subsequent Years beyond what is set forth in the chart below, if any, will automatically increase 3% over the previous Year's price ceilings.

Product	# of Units/cs "as sold"	# of Units/ Std Phy cs	1/1/2020 - 12/31/2020	1/1/2021 - 12/31/2021	1/1/2022 - 12/31/2022	1/1/2023 - 12/31/2023	1/1/2024 - 12/31/2024	1/1/2025 - 12/31/2025	Total Variable Funding Applied Directly to Invoice
12 OZ CAN - KO CSD & NCB	24	24	$11.46	$11.81	$12.16	$12.53	$12.90	$13.29	$1.00
12 OZ PET - KO CSD	24	24	$16.62	$17.12	$17.64	$18.17	$18.71	$19.27	$1.00
1 LITER PET - KO CSD	12	12	$15.53	$16.00	$16.48	$16.97	$17.48	$18.01	$1.00
2 LITER PET - KO CSD	8	8	$17.12	$17.63	$18.16	$18.71	$19.27	$19.85	$1.00
20 OZ PET - KO CSD	24	24	$24.08	$24.80	$25.55	$26.31	$27.10	$27.92	$1.00
8 OZ GLASS - CSD	24	24	$20.14	$20.74	$21.36	$22.00	$22.66	$23.34	$1.00
8.5 OZ ALUMINUM BOTTLE - CSD	24	24	$20.14	$20.74	$21.36	$22.00	$22.66	$23.34	$1.00
7.5 OZ CAN - KO CSD	24	24	$14.33	$14.76	$15.20	$15.66	$16.13	$16.61	$1.00
20 OZ PET - MM REFRESHMENT	24	24	$25.34	$26.10	$26.88	$27.69	$28.52	$29.37	$1.00
12 OZ CAN - KO CSD & NCB	24	24	$24.70	$25.44	$26.20	$26.99	$27.80	$28.63	$1.00
16.9 OZ PET - FUZE	12	24	$39.84	$41.04	$42.27	$43.53	$44.84	$46.19	$1.00
10 OZ PET - MMJTG	24	24	$20.30	$20.91	$21.54	$22.18	$22.85	$23.53	$1.00
20 OZ PET - POWERADE	24	24	$24.50	$25.24	$26.00	$26.78	$27.58	$28.41	$1.00
12 OZ PET - POWERADE	24	24	$22.71	$23.39	$24.09	$24.82	$25.56	$26.33	$1.00
12 OZ PET - DASANI	24	24	$15.30	$15.75	$16.23	$16.71	$17.22	$17.73	$1.00
20 OZ PET - DASANI	24	24	$17.47	$17.99	$18.53	$19.09	$19.66	$20.25	$1.00
500 ML - DASANI	24	24	$7.52	$7.74	$7.98	$8.22	$8.46	$8.72	$0.00
1 LITER PET - DASANI	12	12	$16.19	$16.68	$17.18	$17.69	$18.22	$18.77	$1.00
16 OZ CAN - FULL THROTTLE BRANDS	24	24	$50.04	$51.54	$53.08	$54.68	$56.32	$58.01	$1.00
16 OZ CAN - NOS	24	24	$50.04	$51.54	$53.08	$54.68	$56.32	$58.01	$1.00
22 OZ PET - NOS	24	24	$71.22	$73.36	$75.56	$77.83	$80.16	$82.57	$1.00
20 OZ PET - VITAMINWATER	24	24	$37.90	$39.04	$40.21	$41.42	$42.66	$43.94	$1.00
32 OZ PET - VITAMINWATER	15	12	$27.51	$28.34	$29.19	$30.06	$30.96	$31.89	$1.00
700 ML - SMARTWATER	24	24	$36.24	$37.32	$38.44	$39.60	$40.78	$42.01	$1.00
16.9 OZ PET - HONEST TEA	12	24	$36.68	$37.78	$38.91	$40.08	$41.28	$42.52	$1.00
20 OZ PET - SMARTWATER	24	24	$26.27	$27.05	$27.86	$28.70	$29.56	$30.45	$1.00
1 LITER PET - SMARTWATER	12	12	$23.10	$23.80	$24.51	$25.25	$26.00	$26.78	$1.00
16.9 OZ PET - VITAMINWATER	24	24	$33.10	$34.10	$35.12	$36.17	$37.26	$38.38	$1.00
1.5 LITER PET - SMARTWATER	12	12	$25.65	$26.42	$27.21	$28.03	$28.87	$29.73	$1.00
12 OZ PET - MMJTG	24	24	$24.45	$25.19	$25.94	$26.72	$27.52	$28.35	$1.00
18.5 OZ PET - GOLD PEAK	12	24	$28.38	$29.23	$30.10	$31.01	$31.94	$32.90	$1.00
13.7 OZ PET - DUNKIN RTD COFFEE	12	24	$39.66	$40.84	$42.07	$43.33	$44.63	$45.97	$1.00
20 OZ PET - FUZE REFRESH	24	24	$24.46	$25.20	$25.95	$26.73	$27.53	$28.36	$1.00

All price ceilings (i) are per standard Physical Case and do not include taxes, deposits, handling fees and recycling fees and any other government imposed fees or costs (ii) only apply to those Bottler Bottle/Can Beverages available to the Hotels as of the first day of the Term and (iii) apply only to the 48 contiguous states of the continental United States (i.e., excludes Hawaii and Alaska) and the District of Columbia.

All price ceilings quoted above are based on standard Physical Cases; however, some of the Bottler Bottle/Can Beverages may be sold in different case configurations. No matter how the Bottler Bottle/Can Beverages are sold to Customer, they are translated to the standard Physical Case equivalent for purposes of determining compliance with the price ceilings and funding amounts as well as for sales and financial reporting. For example, if a Bottler Bottle/Can Beverage that is 12 bottles to a standard Physical Case is sold to the Customer in a 15-count case, then the on-invoice 15 bottle case price would have to be divided by 15 and multiplied by 12 in order to determine if the price is in compliance with the applicable price ceiling quoted above.

Company or Bottler may at any time increase price ceilings by more than the amounts set forth above in the event of any substantial increase in a component of the cost of goods, manufacture or delivery of the Bottler Bottle/Can Beverages. Company will notify Customer thirty (30) days in advance prior to the date any such unscheduled price ceiling increases takes effect.

3. OWNER INCENTIVE FUNDING PROGRAM

3.1 Owner Incentive Funding

Company will provide an Owner Incentive Fund in the amounts set forth in the table above for all purchases of Bottler Bottle/Can Beverages directly from Company or Bottler. No funding will be paid on purchases of Bottler Bottle/Can Beverages from other sellers, distributors or retailers. Customer agrees to accept the case sales records of Bottler for purposes of determining funding earned hereunder absent manifest error. Bottler may from time to time offer special prices that are Dead-Net. In any such event, funding provided hereunder will not cause the Dead-Net price charged to the Customer to fall below such Dead-Net price or trade letter Dead-Net price. Funding will be deducted from invoices submitted to Customer.

3.2 Performance Criteria

To qualify for the pricing and funding set forth above, Customer must comply with the following performance criteria and all other material obligations applicable to Customer under this Agreement:

i. Beginning in calendar year 2021, participate in a minimum of one (1) mutually agreed upon promotional activity each Year to promote the sale of Bottler Bottle/Can Beverages at the Hotels. Customer agrees not to unreasonably withhold its consent to Company's and Bottler's proposed promotional activities. Customer will use commercially reasonable efforts to conduce a promotion in Year One as well, but the parties acknowledge such a promotion may not be commercially reasonable.

ii. Customer and Bottler will mutually agree upon the number, types, and locations of Cold Drink Equipment that are generally reasonably required for the exclusive display of Bottler Bottle/Can Beverages in each applicable Hotel, depending upon the size and the brand of the hotel. Cold Drink Equipment, if provided, will be placed in mutually agreed to high traffic locations, as defined by agreement of the parties. The specific location of such equipment will be subject to the agreement of Bottler and Customer.

iii. Customer may also authorize the placement of (or maintain, if already in place) a mutually agreed upon number of Venders in any or all Hotels, depending upon the size and the brand of the hotel. The specific location of such equipment will be subject to the agreement of Bottler and Customer. All Venders placed at the Hotels may be operated on a full-service basis and serviced and stocked exclusively by Bottler in accordance with Bottler's standard full-service vending program for similarly-situated locations under similar competitive conditions in the applicable geographic area, or Venders may be serviced and stocked by a third party approved by Bottler, subject to the provisions of this Agreement.

iv. Abide by any standard system minimum delivery size requirements established by Bottler.

v. Perform those additional Bottler Bottle/Can Beverage marketing activities the parties mutually agreed upon.

4. EQUIPMENT

Bottler will provide each Hotel the Cold Drink Equipment described above at no cost to Customer, except as prohibited by law, rule or regulation, in which case the rent charged will be the lowest legal rate available from the Bottler. All Cold Drink Equipment will be identified by Bottler Bottle/Can Beverage trademarks and will remain the property of Bottler. Except where prohibited by law, all Cold Drink Equipment will exclusively dispense Bottler Bottle/Can Beverages and no items of any kind other than Bottler Bottle/Can Beverages may be stored, displayed or sold in, on or through the Cold Drink Equipment. Use of the Cold Drink Equipment will be in accordance with each Bottler's standard Equipment Placement Terms, and Customer agrees to abide by such terms. To the extent that such standard placement terms are inconsistent with the terms of this Agreement, the terms of this Agreement will control. Bottler will have the right to relocate or remove some or all of the Cold Drink Equipment from a Hotel if Bottler determines the volume of Bottler Bottle/Can Beverages sold through such equipment justifies relocation or removal. Electrical installation costs and utilities for the Cold Drink Equipment will be at the expense of Customer. Customer represents and warrants that electrical service at the Hotels is proper and adequate for the installation of the Cold Drink Equipment, and Customer agrees to indemnify and hold harmless Company and Bottler from any damages arising out of defective electrical services at Hotels.

5. SERVICE

Service for all the Cold Drink Equipment will be provided in accordance with the Equipment Placement terms.

EXHIBIT A-4
OPTIONAL SMOOTHIE AND GOLD PEAK TEA® FRESH BREWED TEA PROGRAM TERMS AND CONDITIONS

1. AVAILABILITY

Each Hotel may, but is not obligated to, serve in the Hotels Smoothie flavors jointly selected by such Hotel and Company. If a Hotel elects to serve Company's Smoothies, Customer agrees that in no event will Customer serve any Smoothies that are a Product of PepsiCo in such Hotel.

Each Hotel may, but is not obligated to, serve in the Hotels Gold Peak® Fresh-Brewed Tea (and/or any other Tea brand that Company may make available). If Customer elects to serve Company's Tea, Customer agrees that in no event will Customer serve any Teas that are a Product of PepsiCo in its Hotels.

2. PRICING

Company agrees that during the Term, each Hotel will have the right to purchase Company Smoothies from Company at Company's then-current published chain account prices, which prices are subject to change from time to time.

Each Hotel will have the right to purchase Tea from Company at Company's then-current published chain account prices, which prices are subject to change from time to time.

3. EQUIPMENT PROGRAM

Customer is responsible for purchasing all Tea Dispensers and blending equipment for all applicable Hotels.

4. SERVICE PROGRAM

Any service on the Tea Dispensers or blending equipment will be at the cost and responsibility of Customer.

EXHIBIT B
DEFINITIONS

Capitalized words or phrases used throughout this Agreement have the following meanings:

1. **"Agreement**" means this agreement and all exhibits, addenda and attachments hereto.

2. "**Authorized Bottlers**" means those bottlers with special authorization from Company to sell certain Company Sparkling to Customer.

3. "**Authorized Distributors**" means authorized distributors with special authorization from Company to sell certain Company Beverages to Customer.

4. "**Beverage**" means all non-alcoholic beverages (i.e. anything consumed by drinking), whether or not such beverages (i) contain nutritive, food, or dairy ingredients, or (ii) are in a frozen form. This definition applies without regard to the beverage's labeling or marketing. For the avoidance of doubt, "flavor enhancers", "liquid water enhancers", brands and products of Beverage making systems (e.g., Soda Stream®) and non-alcoholic beverages sold as "shots" or "supplements" are considered Beverages. However, this definition does not include fresh-brewed coffee, fresh-brewed tea products, hot chocolate or hot cocoa, or water. Nothing in this definition is intended to limit or expand what a Hotel must serve under the Availability section of any of Exhibits A-1 through and including A-3.

5. "**Bottle/Can Beverage**" means any Beverage, including a pre-mix Beverage, in pre-packaged, ready-to-drink form in bottles, cans or other factory-sealed containers.

6. "**Bottlers**" means authorized bottlers of Company that elect to participate under this Agreement.

7. "**Bottler Bottle/Can Beverage**" means a Bottle/Can Beverage that is marketed under trademarks owned or controlled by or licensed for use to Company and purchased by Customer directly from Company or Bottler, for sale at the Hotels or sold through full service vending machines owned, stocked or serviced exclusively by Company or Bottler. For the avoidance of doubt, "Bottler Bottle/Can Beverages include (i) Monster, NOS and Full Throttle brand Bottle/Can Beverages purchased directly from a Bottler; and (ii) Bottle/Can Beverages purchased directly from a Bottler that has the rights to distribute Beverages that are marketed under trademarks owned by, licensed to, controlled by or distributed by Dr Pepper Snapple Group, Inc. ("**DPSG**") or any of its subsidiaries, affiliates or bottlers, or any entity or joint venture in which DPSG or any of its subsidiaries, affiliates or bottlers, has at least a 50% ownership interest.

8. "**Cold Drink Equipment**" means Venders and Coolers.

9. "**Company**" means The Coca-Cola Company, acting by and through its Coca-Cola North America Group. When the term Company is applied to a product (such as Company Beverage) it means such a product that is marketed under (i) trademarks owned by Company and (ii) trademarks licensed by Company that are designated as a product of Company.

10. **"Competitive Beverage**" means any Beverage that is not a Company Beverage, and any Beverage marketed under Beverage trademarks that are not Company or Bottler trademarks.

11. "**Cooler**" means a device provided by Company or Bottler for keeping Bottle/Can Beverages cool that does not contain a payment mechanism.

12. "**Core Company Juice Beverage**" means Minute Maid Frozen Concentrate Orange Juice and Simply Orange**.**

13. "**Core Company Sparkling Beverage**" means Coca-Cola®, Diet Coke®, Sprite® and Coke Zero™ in Fountain Beverage and Bottle/Can Beverage form.

14. "**Hotels**" means hotels located in the 50 United States and the District of Columbia where Beverages are served that are owned or operated by Customer under an IHG Covered Brand and which are not subject to a pre-existing agreement with a beverage supplier other than Company, including any such hotels that are opened or acquired and serve Sparkling and Juice Beverages after this Agreement is signed during the Term of the Agreement (unless those acquired hotels are already governed by an agreement with Company and that agreement is validly assigned to Customer as part of the acquisition); provided, however, that if such hotels are at the time of acquisition under a pre-existing agreement with a beverage supplier other than Company, such hotels will come under this Agreement only after the applicable agreement with such beverage supplier is terminated or expires. The term "Hotels" includes all locations owned or managed by Customer within such hotels where Beverages are or can be served other than as set forth in Exhibit E, Section 2.

15. "**Covered Brand**" means any of the following brands and includes any new brands that may be added: Luxury ("**Luxury**") brands InterContinental Hotels and Resorts (excluding InterContinental Alliance Resorts), Upscale ("**Upscale**") brands Crowne Plaza Hotels and Resorts, Hotel Indigo, EVEN Hotels, and Mainstream ("**Mainstream**") brands Holiday Inn,

Holiday Inn Resort, Holiday Inn Express, Holiday Inn Club Vacations, Kimpton Hotels, avid Hotels, Atwell Hotels, Staybridge Suites and Candlewood Suites.

16. "**Customer"** means the Franchisee or management company operating the Hotel for hotel owner identified on the signature page of this Agreement.

17. "**Dispenser**" means a piece of equipment that dispenses Beverages through a valve.

18. "**Fountain Beverages**" are those Beverages that are served through Dispensers.

19. "**Fountain Syrup**" means the Fountain Beverage syrup used to prepare Fountain Beverages, but does not include Frozen Fountain Syrup or other forms of concentrate, such as frozen concentrates used to prepare Juices, or liquid coffee concentrate.

20. "**Holiday Inn Express Hotels**" mean Participating System Hotels that are branded with the Holiday Inn Express brand group.

21. "**Juice**" means the aqueous liquid expressed or extracted from one or more fruits or vegetables, or any concentrate of such liquids or purees, and includes 100% juice and drink products marketed or labeled as juice or juice drink, regardless of the percentage of natural juice contained in such drink products.

22. "**Lease**" means the terms and conditions set forth in the Dispensing Equipment Lease attached as **Exhibit D**.

23. "**Physical Case**" means a physical case of Company Beverage and/or Bottler Bottle/Can Beverage as then-currently packaged and whose case count is deemed as standard by Company and Bottler. Case counts are subject to change during the Term due to packaging reconfigurations.

24. "**Product of PepsiCo**" means any Beverage which has a trademark owned by, licensed to, controlled by or distributed by PepsiCo, Inc. or any of its subsidiaries, affiliates or bottlers, or any entity or joint venture in which PepsiCo, Inc. or any of its subsidiaries, affiliates or bottlers, has at least a 50% ownership interest.

25. "**Smoothie**" means a fruit or non-fruit based beverage mixer that is used to make a smoothie-type alcoholic or non-alcoholic drink, fruit smoothie, milkshake or another comparable drink.

26. "**Special Service Calls**" means any removal, remodel, relocation or reinstallation of Dispensers, installation or removal of ice makers, service caused by ice, flavor changes, summerize/winterize, line changes, or service necessitated by damage or adjustments to the equipment resulting from misuse, abuse, failure to follow operating instructions or service by unauthorized personnel, unnecessary calls (equipment was not plugged in, CO2 or Fountain Syrup container was empty), or calls that are not the result of mechanical failure.

27. "**Sparkling Beverages**" means carbonated soft drinks (e.g., Coke, Diet Coke, Sprite, etc.) in Fountain Beverage and Bottle/Can Beverage form.

28. "**Subtab Mechanism**" means an unbranded manually actuated tab on a Dispenser that allows for the dispensing of water.

45."**Tea**" means beverages whether hot or cold that are made from tea in any form of preparation, including, but not limited to, post-mix tea, tea leaves or tea powder.

47. "**Vender**" means a Beverage vending machine provided by Bottler.

49. "**Year**" means each consecutive twelve month period during the Term, provided that the first Year shall begin on the Term Effective Date and end on December 31, 2020.

EXHIBIT C
STANDARD TERMS AND CONDITIONS APPLICABLE TO THIS AGREEMENT

1. TERMINATION AND DAMAGES

1.1 This Agreement may be terminated before the scheduled expiration date only in the following circumstances: (i) either party may terminate the Agreement if the other party fails to comply with a material term or condition of the Agreement and does not remedy the failure within 60 days after receiving written notice specifying the non-compliance; (ii) Company may terminate the Agreement if at any time during the Term the beverage marketing agreement between Company and Six Continents Hotels, Inc. is terminated. Upon receipt of notice of expiration or termination, Customer will promptly make any equipment owned by Company and the Bottler available for pickup by Company and the Bottler and the marketing program will no longer be made available. In addition, if any piece of equipment other than Cold Drink Equipment is removed from a Hotel prior to 100 months from the installation date for that piece of equipment, other than Company removing a piece of Equipment without cause, Customer will pay Company the actual cost of removal (including standard shipping and handling charges) and remanufacturing of the equipment, as well as the unamortized portion of the costs of (i) installation and (ii) non-serialized parts (e.g., pumps, racks and regulators) and other ancillary equipment other than for any such equipment that is defective or otherwise needs replacement in accordance with Exhibit D to this Agreement. Furthermore, in the event of any early termination of this Agreement, Customer will pay Company or the Bottler's unamortized cost of installation and the entire cost of removal of all Cold Drink Equipment other than for any such equipment that is defective or otherwise needs replacement. Collectively, removal and remanufacturing costs and items (i) and (ii) and the unamortized cost of installation and entire cost of removal of all Cold Drink Equipment are referred to as "**unbundling costs**." Upon Customer's receipt of notice of expiration or termination of this Agreement, Customer will also pay, to the extent not paid within (45) days of being invoiced by Company and Bottler for any such unearned funding or unbundling costs, interest at the rate of 1%, compounded monthly, or such lesser percentage as required by law, accrued from the date unbundling costs were incurred through the date of repayment.

1.2 The parties acknowledge that in addition to the liquidated damages outlined above, either party may pursue other remedies or damages if the other party breaches the terms of the Agreement. Nothing herein will be construed as a waiver of any right of Company to prove consequential damages as a result of a breach by Customer.

2. NON-COMPLYING HOTELS. If any Hotel fails to comply with any terms of this Agreement applicable to such Hotel (including any applicable terms of the Equipment Lease), Customer will forfeit and not be entitled to any funding in respect of such Hotel for the period of non-compliance and Company may refuse to sell, or may limit the quantity of Beverages sold, to such Hotel. In the event the Hotel has not cured any non- compliance within 30 days from receipt of written notice of non-compliance from Company, all funding in respect of such Hotel for the then-current Year will be forfeited, and Company will have the option to terminate this program with respect to such Hotel on 30 days' additional written notice.

3. GOVERNING LAW/ DISPUTE RESOLUTION. This Agreement will at all times be governed by the laws of the State of Georgia. Should there be a dispute between Company and Customer relating in any way to the Agreement, the breach of the Agreement, or the business relationship of the parties, the parties agree that they will make a good faith effort to settle the dispute in an amicable manner. If the parties are unable to settle the dispute through direct discussions, at that time they will attempt to settle the dispute by mediation administered by the American Arbitration Association (the "**AAA**") as a condition precedent to either party's resort to litigation or other formal, binding means of dispute resolution. The prevailing party will be entitled to recover its reasonable attorneys' fees and other costs and expenses of litigation or other formal means of dispute resolution. If litigation is pursued, the exclusive venue for such litigation will be in the federal or state courts located in Atlanta, GA, and the parties agree to submit to the personal jurisdiction of the courts in the State of Georgia.

4. REBRANDING AND ASSIGNMENT

4.1 The Agreement will not be assignable except to an affiliate without the express written consent of Company.

4.2 If any Hotel ceases to operate as a Covered Brand, it shall be relieved of its rights, duties and obligations under this Agreement that accrue after such cessation.

5. TRADEMARKS. Neither Customer nor Company will make use of the other's trademarks or logos (either alone or in conjunction with their or another party's trademarks or logos) without the prior written consent of that party, and Customer will not make use of any of the Bottler's trademarks or logos (either alone or in conjunction with their or another party's trademarks or logos) without the prior written consent of the Bottler, and all use of the other party's trademarks will inure to the benefit of trademark owner. For purposes of this Agreement, Company's and Customer's trademarks include trademarks owned, licensed to or controlled by an entity in which Company or Customer, respectively, has a 50% or more ownership interest. Each Party agrees that its approval will not be withheld or delayed unless (i) Customer determines that a Customer Mark has been used incorrectly for technical reasons (i.e., lack of trademark conformity) or (ii) Customer reasonably determines that the proposed activity or use would reflect negatively on Customer or the Participating System Hotels.

6. ADVERTISING, MARKETING RIGHTS.

6.1 Customer grants Company the exclusive rights to advertise, market and promote Beverages at the Hotels and/or in connection with the Hotels. These rights include a Beverage-exclusive license to use, subject to Section 5 above, Customer's trademarks on a royalty free basis to promote Company's Beverages in promotions, including joint promotions with Company's other customers.

6.2 **NO COMPETITIVE ADVERTISING**. Except as otherwise permitted under the terms of this Agreement, Customer will not depict, advertise, promote or merchandise any Competitive Beverages anywhere in or in association with the Hotels. Customer will not enter into any agreement or relationship whereby any Competitive Beverages are associated in any advertising or promotional activity of any kind with Customer, the Hotels, or any of the trademarks of Customer.

7. PRICING. All prices quoted in this Agreement do not include, and each Hotel will be responsible for the payment of all applicable taxes, deposits, other government mandated fees, handling fees and recycling fees, as applicable.

8. CONFIDENTIALITY. Neither party will disclose to any third party without the prior written consent of the other party, any information concerning this Agreement or the transactions contemplated hereby, except for disclosure (i) to any attorneys, accountants and consultants involved in assisting with the negotiation and closing of the contemplated transactions, or (ii) to Six Continents Hotels, Inc. or (iii) to affiliates of Company including Company's bottlers, or (iv) as required by law. A party that makes a permitted disclosure must obtain assurances from the party to whom disclosure is made that such party will keep confidential the information disclosed.

9. OFFSET. If Customer owes any amounts to Company or Bottler under this or any other agreement, in addition to any other remedies it may have, Company may use funds due Customer to offset amounts due to Company under this or any other agreement.

10. FORCE MAJEURE. Either party is excused from performance under this Agreement to the extent and for so long as such nonperformance results from any act of God, strikes, war, terrorism, riots, acts of governmental authorities, other emergencies (including pandemics), or shortage of raw materials which specifically make it illegal or impossible to for either party to perform. The performance of such party shall be excused for such reasonable time as may be required to resume performance following cessation of suh cause.

11. WAIVER. The failure of either party to seek redress for the breach of, or to insist upon the strict performance of any term, clause or provision of the Agreement, will not constitute a waiver, unless the waiver is in writing and signed by the party waiving performance.

12. WARRANTIES. Customer and Company each represent and warrant that they have the unrestricted right to enter into this Agreement and to make the commitments contained in this Agreement. In addition, each party represents that the person whose signature appears on the Agreement has the right to execute this Agreement on behalf of the party indicated. Customer represents and warrants that it complies with all applicable laws and regulations and all appropriate practices with respect to food safety including the storing, preparation and serving of food and potability of water. Customer acknowledges and agrees to comply with all equipment manufacturers' specifications and product dispensing and preparation instructions and specifications of which it is made aware in writing by Company and Bottler. Company agrees to comply with all applicable laws, regulations and industry standards, as well as its own internal policies and / or procedures, related to COVID-19. Company will provide Customer with reasonable notification if Company becomes aware that its employee(s) has/ have contracted COVID-19 and, through contact tracing, reasonably believes the employee(s) may have exposed the employees or guests of a Hotel to COVID-19. Notification of potential exposure will be conducted as permitted by any applicable statutory or contractual restrictions on sharing such information and notification will be done, where possible, to protect the identify of affected employee(s). Company and Customer agree to update the other, and amend this Agreement if necessary, related to continuing policies and efforts related to COVID-19.

13. RESALE AND PACKAGING. Customer will (i) properly dispose of all packaging (ii) not resell Company Beverages or Company Beverage components or ingredients (including packaging) or Bottler Bottle/Can Beverages to third parties except for the purpose of environmentally safe disposal and (iii) not directly or indirectly ship, distribute or sell any Bottler Bottle/Can Beverages outside of (a) the geographic scope of the Company's internally defined market unit in which such Beverages were sold to Customer (Company will make the geographic scope of any such market unit available to Customer upon request) with respect to such Beverages sold by Company and (b) with respect to products sold by a Bottler, the geographic territory in which the Bottler is authorized to distribute, promote, market, and sell Company Bottle/Can Beverages and (iv) sell finished Fountain Beverage only in cups or glasses and not in closed containers that retain carbonation, or in bottles or cans. Customer will reimburse Company and Bottler for all damages resulting from its failure to do so. For the avoidance of doubt, this section does not obligate Customer to act on behalf of Hotels.

14. CLAIMS FOR REBATE, DISCOUNT OR ALLOWANCE DISCREPANCIES. In no event will Company or Bottler accept any claims of discrepancies or errors in pricing or funding hereunder more than 1 year from the date of invoice with respect to pricing or payment with respect to funding. In support of any such claim, Customer will provide a detailed, written request specifying the particular product, the amount in dispute and

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reason for dispute, along with a true copy of the original invoice or payment and all other documents in support of the claim. Company and Bottler will review each such claim in good faith and provide prompt responses to each properly made claim. Customer will not withhold payments owing to Company or Bottler regardless of the pendency of such a claim. If Customer withholds any payments, Company and Bottler reserve the right to withhold funding due Customer. Company and Bottler will work directly with the Customer to resolve any such claims, but will not interact with third-party auditors or contractors.

15. CONSTRUCTION/ SEVERABILITY. This Agreement and any accompanying documents constitute negotiated agreements between the parties, and the fact that one party or its counsel, or the other, will have drafted this Agreement, any document or particular provision hereof will not be considered in the construction or interpretation of this Agreement, the documents or any provision hereof. If any term or provision of this Agreement is found to be void or contrary to law, such term or provision will be deemed severable, but only to the extent necessary to bring this Agreement within the requirements of law, from the other terms and provisions hereof, and the remainder of this Agreement will be given effect as if the parties had not included the severed term herein, but only if each party continues to receive relatively the same benefits that it negotiated under this Agreement.

16. THIRD PARTY BENEFICIARIES. Customer and Company hereby expressly acknowledge and agree that this Agreement is for the sole exclusive benefit of the parties hereto and the Hotels, and no other third party is intended to or will have any rights hereunder, except that Customer and Company recognize and acknowledge that the Bottlers are third party beneficiaries of this Agreement.

17. PRIVACY AND SECURITY REQUIREMENTS. To the extent that either party collects, accesses, or processes the Personal Information (as defined below) of consumers in connection with the performance of this Agreement, each party represents and warrants that it shall comply with (i) all applicable international, federal, state, provincial and local laws, rules, regulations, directives and governmental requirements currently in effect and as they become effective relating in any way to the privacy, confidentiality, and/or security of protected personal information, as defined by applicable law (referred to herein as "**Personal Information**"), including, but not limited to, data protected under applicable state and federal data privacy law(s) and the California Consumer Privacy Act, as amended or replaced from time to time; (ii) all applicable industry standards concerning privacy, data protection, confidentiality or information security including, if applicable, the Payment Card Industry Data Security Standard ("**PCI DSS**"); and (iii) applicable provisions of each party's respective written requirements, currently in effect and as they become effective relating in any way to the privacy, confidentiality, and/or security of Personal Information or applicable privacy policies, statements or notices (collectively, "**Privacy and Security Requirements**").

Neither party shall retain, use, disclose, or otherwise process Personal Information for any purpose other than for the specific purpose of performance under this Agreement, or as is otherwise permitted by applicable law, upon explicit agreement between the Parties, or with explicit permission from the individual to whom the Personal Information relates. Each party is prohibited from selling or otherwise receiving remuneration (absent explicit individual consent, as defined by applicable law) in exchange for any Personal Information, which either party collects, accesses, or otherwise processes pursuant to this Agreement.

18. ADDITIONAL TERMS. The terms and conditions of this Agreement will supersede all prior agreements between the parties relating to the subject matter of this Agreement. No supplement, modification, or amendment of this Agreement will be binding unless executed in writing by authorized representatives of both parties. Company will not be bound by any standard or preprinted terms or conditions contained in Customer's purchase orders, acknowledgements, invoices, vendor allowance forms or other Customer forms, or counteroffers, that propose terms or conditions in addition to or differing from the terms and conditions set forth in this Agreement with respect to its subject matter. Customer will not be bound by any standard or preprinted terms or conditions continued in Company's acknowledgments, invoices, marketing program forms or other Company forms, or counteroffers, that propose terms or conditions differing from the terms and conditions set forth in this Agreement with respect to its subject matter. Any terms and conditions on any party's internet site to which agreement by either party is deemed or required in any manner, whether through an online electronic agreement, site use, or otherwise, that propose terms or conditions differing from the terms and conditions set forth in this Agreement will be null and void and of no legal effect on either Company or Customer.

EXHIBIT D
DISPENSING EQUIPMENT LEASE

1. **LEASE AGREEMENT AND TERM**. Company hereby leases to the PSH Owner of each Corporate Hotel (referred to as "Equipment Lessee" in this Exhibit D) all beverage dispensers provided to Equipment Lessee ("**Equipment**"), subject to the terms and conditions set forth in this Lease. Unless otherwise agreed in writing, the Equipment will also include, where applicable, all permanent merchandising, menu boards, refrigeration units, ice makers and water filtration equipment installed by Company on Equipment Lessee's premises. Each piece of Equipment is leased commencing on its installation date (the "**Commencement Date**"). Equipment Lessee may request the removal of any Equipment upon thirty (30) days prior written notice to Company, and in addition, Company may remove any piece of Equipment for any reason upon thirty (30) days prior written notice to Customer. Removal of Equipment will not affect the term of any agreement between the parties. If this Lease is terminated with respect to any piece of Equipment for any reason, other than Company removing a piece of Equipment without cause under this section, prior to 100 months from the Commencement Date for that piece of Equipment, Equipment Lessee will pay Company the actual cost of removal (including standard shipping and handling charges) and remanufacturing of that Equipment, as well as the unamortized portion of the costs of (i) installation, (ii) non-serialized parts (e.g., pumps, racks and regulators) and other ancillary equipment. Collectively, removal costs and items (i) and (ii) are referred to as "**unbundling costs**." The terms of this Lease will continue in effect with respect to each piece of Equipment until the Equipment has been removed from Equipment Lessee's premises and will survive the expiration or termination of any agreement into which this Lease is incorporated.

2. **RENT FOR THE EQUIPMENT**. All equipment leased to Customer will be leased at an annual rate calculated by multiplying the total installed cost of equipment by the then-current lease factor, plus all applicable sales and use taxes, if any, as rent for the Equipment. Rent will be due monthly. At Company's discretion, Company may utilize funds due Customer to offset amounts due Company under this Lease. If Customer fails to pay, within 10 days of its due date, rent or any other amount required by this Lease to be paid to Company, Customer will pay to Company a late charge equal to five percent (5%) per month of such overdue payment, or such lesser amount that Company is entitled to receive under any applicable law

3. **TITLE TO THE EQUIPMENT**. Title to the Equipment is, and will at all times remain, vested in Company. Equipment Lessee will have no right, title, or interest in or to the Equipment, except the right to quiet use of the Equipment in the ordinary course of its business as provided in this Lease. Equipment Lessee will execute such title documents, financing statements, fixture filings, certificates and such other instruments and documents as Company will reasonably request to ensure to Company's satisfaction the protection of Company's title to the Equipment and Company's interests and benefits under this Lease. Equipment Lessee will not transfer, pledge, lease, sell, hypothecate, mortgage, assign or in any other way encumber or dispose of any of the Equipment. THE PARTIES AGREE, AND EQUIPMENT LESSEE WARRANTS, THAT THE EQUIPMENT IS, AND WILL AT ALL TIMES REMAIN, PERSONAL PROPERTY OF COMPANY NOTWITHSTANDING THAT THE EQUIPMENT OR ANY PART THEREOF MAY NOW BE, OR HEREAFTER BECOME, IN ANY MANNER AFFIXED OR ATTACHED TO, OR EMBEDDED IN, OR PERMANENTLY RESTING UPON, REAL PROPERTY OR IMPROVEMENTS ON REAL PROPERTY. Equipment Lessee will not make any alterations, additions, or improvements to the Equipment without the prior written consent of Company. All parts added to the Equipment through alterations, repairs, additions or improvements will constitute accessions to, and will be considered an item of the Equipment and title to such will immediately vest in Company. Equipment Lessee agrees that Company may transfer or assign all or any part of Company's right, title and interest in or to any Equipment (in whole or in part) and this Lease, and any amounts due or to become due, to any third party ("**Assignee**") for any reason. Upon receipt of written notice from Company of such assignment, Equipment Lessee will perform all its obligations with respect to any such Equipment for the benefit of the applicable Assignee, and, if so directed, will pay any amounts due or to become due hereunder directly to the applicable Assignee or to any other party designated in writing by such Assignee.

4. **USE OF EQUIPMENT**. Equipment Lessee acknowledges that the rent does not fully compensate Company for its expenses concerning its research and development efforts designed to improve fountain equipment or in providing the Equipment to Equipment Lessee, and that Company provides the Equipment to Equipment Lessee for the purpose of dispensing products of The Coca-Cola Company. Therefore, Equipment Lessee agrees that if the Equipment is a dispenser, then the Equipment will be used for the purpose of dispensing fountain beverage products of The Coca-Cola Company, such as Coca-Cola®, diet Coke® and Sprite®, and in the State of Texas, the Permitted Exception set forth in Section 2.2 of Exhibit A-1 . Customer further agrees not to dispense any product whose pungency could affect normal operation of the Equipment. In accordance with Company's Fair Share policy, Company will have the right to additional rent and charges for its costs of servicing such valve if any valve is used for a Competitive Beverage in accordance with Section 2.2 of Exhibit A-1 at a rate of not less than $300 per Dispenser per year. If the Equipment is a pump for bag-in-box or similar container, such pump may be used only to dispense products of The Coca-Cola Company. If the Equipment is other than a dispenser or a pump, then it will be used only in a location where fountain beverage products of The Coca-Cola Company are served and where no Sparkling or Juice is served that is a Product of PepsiCo. This Section 4 will not apply within the State of Wisconsin.

5. **INSPECTION AND NOTIFICATION**. Without disrupting Equipment Lessee's regular business operations, Company will have the right during Equipment Lessee's regular business hours to inspect the Equipment at Equipment Lessee's premises or wherever the Equipment may be located and to review all records that relate to the Equipment. Equipment Lessee will promptly notify Company of all details arising out of any change in location of the Equipment, any alleged encumbrances thereon or any accident allegedly resulting from the use or operation thereof.

6. **WARRANTY DISCLAIMER**: CUSTOMER ACKNOWLEDGES THAT COMPANY IS NOT A MANUFACTURER OF THE EQUIPMENT AND THAT COMPANY HAS MADE NO REPRESENTATIONS OF ANY NATURE WHATSOEVER PERTAINING TO THE EQUIPMENT OR ITS PERFORMANCE, WHETHER EXPRESS OR IMPLIED, INCLUDING (WITHOUT LIMITATION) ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER WARRANTIES RELATING TO THE DESIGN, CONDITION, QUALITY, CAPACITY, MATERIAL OR WORKMANSHIP OF THE EQUIPMENT OR ITS PERFORMANCE, OR ANY WARRANTY AGAINST INTERFERENCE OR INFRINGEMENT, OR ANY WARRANTY WITH RESPECT TO PATENT RIGHTS, IF ANY, PERTAINING TO THE EQUIPMENT. COMPANY WILL NOT BE RESPONSIBLE FOR ANY LOSS OF PROFITS, ANY DIRECT, INCIDENTAL OR CONSEQUENTIAL LOSSES, OR DAMAGES OF ANY NATURE WHATSOEVER, RESULTING FROM THE DELIVERY, INSTALLATION, MAINTENANCE, OPERATIONS, SERVICE OR USE OF ANY EQUIPMENT OR OTHERWISE. TO THE EXTENT THAT WARRANTIES EXIST FROM THE MANUFACTURERS OF THE EQUIPMENT AND TO THE EXTENT ALLOWED BY CONTRACT AND LAW, COMPANY WILL MAKE AVAILABLE TO EQUIPMENT LESSEE ANY APPLICABLE MANUFACTURER'S WARRANTY.

7. **TAXES**. Company will process payment of all assessments, license fees, taxes (including sales, use, excise, personal property, ad valorem, stamp, documentary and other taxes) and all other governmental charges, fees, fines or penalties whatsoever, imposed on Company as required by law, on or relating to the Equipment or the use, registration, rental, shipment, transportation, delivery, or operation thereof, and on or relating to this Agreement. As between Company and Participating System Hotel, Participating System Hotel bears the financial responsibility for all such charges, and Company retains the right to be reimbursed by Participating System Hotel for such charges.

8. **DAILY MAINTENANCE**. PSH Owner will, at its expense, keep the Equipment in good condition, and working order. PSH Owner will pay all costs incurred in connection with the daily maintenance and operation, and where required by law, ownership or possession of the Equipment during the term of this Lease. PSH Owner's sole recourse against Company with respect to service provided by Company or its agents to the Equipment is that Company will correct any defective workmanship at no additional charge to Customer, provided that Company is given prompt notification of any defective workmanship. Company will not be otherwise liable for negligent acts or omissions committed in regard to maintenance or repair of the Equipment and assumes no responsibility for incidental, consequential or special damages occasioned by such negligent acts or omissions

9. **RISK OF LOSS**. All risk of loss, including damage, theft or destruction, to each item of Equipment will be borne by Equipment Lessee. No such loss, damage, theft or destruction of Equipment, in whole or in part, will impair the obligations of Equipment Lessee under this Lease, all of which will continue in full force and effect.

10. **INDEMNITY**. Equipment Lessee will indemnify The Coca-Cola Company and its affiliates and each of their officers, agents, employees, directors, shareholders, affiliates, successors, and assigns (hereinafter the "**Indemnified Parties**") against, and hold Indemnified Parties wholly harmless from, any and all claims, actions, suits, proceedings, demands, damages, and liabilities of whatever nature, and all costs and expenses, including without limitation Indemnified Parties' reasonable attorneys' fees and expenses, relating to or in any way arising out of (a) the ordering, delivery, rejection, installation, purchase, leasing, maintenance, possession, use, operation, control or disposition of the Equipment or any portion thereof; (b) any act or omission of Equipment Lessee, including but not limited to any loss or damage to or sustained by the Indemnified Parties arising out of Equipment Lessee's failure to comply with all the terms and conditions of this Lease; (c) any claims for liability in tort with respect to the Equipment, excepting only to the degree such claims are the result of the Indemnified Parties' negligent or willful acts. The provisions of this Section 10 will survive termination and expiration of this Lease.

Company will indemnify Customer and the owner and operator of each Participating System Hotel and their respective affiliates and each of their respective officers, agents, employees, directors, shareholders, affiliates, successors, and assigns (hereinafter the "**PSH Indemnified Parties**") against, and hold PSH Indemnified Parties wholly harmless from, any and all claims, actions, suits, proceedings, demands, damages, and liabilities of whatever nature, and all costs and expenses, including without limitation PSH Indemnified Parties' reasonable attorneys' fees and expenses, relating to or in any way arising out of (a) any act or omission of Company resulting in any loss or damage to or sustained by the PSH

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Indemnified Parties arising out of Company's failure to comply with all the terms and conditions of this Lease.

11. **DEFAULT**. The occurrence of any of the following will constitute a "**Default**" by Equipment Lessee: (a) nonpayment by Equipment Lessee when due of any amount due and payable under this Lease; (b) failure of Equipment Lessee to comply with any provision of this Lease, and failure of Equipment Lessee to remedy, cure, or remove such failure within twenty (20) days after receipt of written notice thereof from Company; (c) any statement, representation, or warranty of Equipment Lessee to Company in this Lease that is untrue as of the date made; (d) Equipment Lessee's becoming insolvent or unable to pay its debts as they mature, or Equipment Lessee making an assignment for the benefit of creditors, or any proceeding, whether voluntary or involuntary, being instituted by or against Equipment Lessee alleging that Equipment Lessee is insolvent or unable to pay its debts as they mature; (e) appointment of a receiver, liquidator, trustee, custodian or other similar official for any of the Equipment or for any property in which Equipment Lessee has an interest; (f) seizure of any of the Equipment; (g) default by Equipment Lessee under the terms of any note, document, agreement or instrument evidencing an obligation of Equipment Lessee to Company or to any affiliate of The Coca-Cola Company, whether now existing or hereafter arising; or (h) Equipment Lessee taking any action with respect to the liquidation, dissolution, winding up or otherwise discontinuing the conduct of its business.

12. **REMEDIES**. Upon the occurrence of any Default or at any time thereafter during the continuance thereof, Company may terminate this Lease as to any or all items of Equipment, may enter Equipment Lessee's premises and retake possession of the Equipment at Equipment Lessee's expense, and will have all other remedies at law or in equity for breach of the Lease. Equipment Lessee acknowledges that in the event of a breach of Sections 4 or 5 or a failure or refusal of Equipment Lessee to relinquish possession of the Equipment in breach of this section 12 following termination or Default, Company's damages may be difficult or impossible to ascertain, and Equipment Lessee therefore agrees that Company will have the right to seek an injunction in any court of competent jurisdiction restraining said breach and granting Company the right to immediate possession of the Equipment.

13. **LIQUIDATED DAMAGES**. If Equipment Lessee acts in violation of the prohibitions described in Section 3 of this Lease, or is unable or unwilling to return the Equipment to Company in good working order, normal usage wear and tear excepted, at the expiration or termination of the Lease, Equipment Lessee will pay as liquidated damages the total of: (i) the amount of past-due lease payments, if any, discounted accelerated future lease payments, and the value of Company's residual interest in the Equipment, plus (ii) all tax indemnities associated with the Equipment to which Company would have been entitled if Equipment Lessee had fully performed this Lease, plus (iii) costs, interest, and attorneys' fees incurred by Company due to Equipment Lessee's violation of Section 3 or its failure to return the Equipment to Company, minus (iv) any proceeds or offset from the release or sale of the Equipment by Company.

15. **OTHER TERMS**. Equipment Lessee represents and warrants that it complies with all applicable laws and regulations and all appropriate practices with respect to food safety including the storing, preparation and serving of food. Furthermore, Equipment Lessee acknowledges and agrees to comply with all equipment manufactures specifications and product dispensing and preparation instructions and specifications. No failure by Company to exercise and no delay in exercising any of Company's rights hereunder will operate as a waiver thereof; nor will any single or partial exercise of any right hereunder preclude any other or further exercise thereof or of any other rights. This Lease constitutes the entire agreement of the parties and supersedes all prior oral and written agreements between the parties governing the subject matter of this Lease; provided, however, that if Company and Equipment Lessee have entered into an agreement into which this Lease is incorporated, to the extent that any of the terms in this Lease conflict with the terms set forth in that agreement, the terms of that agreement will control. No agreement will be effective to amend this Lease unless such agreement is in writing and signed by the party to be charged thereby. Any notices permitted or required by this Lease will be in writing and mailed by certified mail or hand delivered, addressed to the respective addresses of the parties. All claims, actions or suits arising out of the Lease will be litigated in courts in either the State of Georgia or in the state of Equipment Lessee's principal place of business. Each party hereby consents to the jurisdiction of any local, state or federal court located within the State of Georgia and/or the state of Equipment Lessee's principal place of business, and designates the Secretary of State of the State as its agent for service of process. THIS LEASE WILL BE GOVERNED BY THE LAWS OF THE STATE OF GEORGIA. Time is of the essence to each and all of the provisions of this Lease.

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EXHIBIT E
ADDITIONAL TERMS

1. Notwithstanding anything in this Agreement to the contrary, Competitive Beverages may be served at individual events or functions at any Hotel if the party booking the event or function requires as a condition of booking the event that Competitive Beverages be served. In such case, Competitive Beverages may be made available only in connection with and during such event or function; provided, however, that: (i) such Competitive Beverages are sold or made available only within the area being used for the event or function, (ii) any advertisements for such Competitive Beverages at the relevant Hotel will be reasonable under the circumstances and generally de minimis in nature (preferably, only within the booked space) and will not suggest that such Competitive Beverages are associated in any manner with Customer or the Hotel. Either Customer or the party booking the event or function will be responsible for all expenses in any way related to the service of Competitive Beverages, including the provision of equipment, if necessary. Each Hotel shall use commercially reasonable efforts to minimize the incidence of Competitive Beverage services.

2. The parties acknowledge that there may be current or future third party tenants that are unaffiliated with Customer renting or leasing space at any Hotel and that elect to serve Competitive Beverages or are required to do so due to a binding agreement with a Competitive Beverage supplier (or another third party that has the authority to determine Beverage selection at such tenant's area). Such tenants' leased areas shall be excluded from the scope of this Agreement. Therefore, it shall not constitute a breach of this Agreement for such tenant(s) to serve or make available Competitive Beverages; provided, however, that: (i) such Competitive Beverages are sold or made available only within such tenant's leased space, (ii) any advertisements for such Competitive Beverages at the relevant Hotel will be reasonable under the circumstances and generally de minimis in nature (preferably, only within such tenant's leased space) and will not suggest that such Competitive Beverages are associated in any manner with Customer or the Hotel.

3. Notwithstanding anything in this Agreement to the contrary, if any practice in effect as of the Term Effective Date at any hotel that becomes a Hotel on or after the Term Effective Date is at variance with any practice proscribed by this Agreement (e.g., dispensing tap water out of a valve on a Dispenser), except if a Hotel is serving a Competitive Beverage, or any Competitive Beverage on a Company-owned Dispenser, such practice shall be grandfathered and permitted under this Agreement until such time as any associated equipment is replaced in accordance with this Agreement.

EXHIBIT G-4-1

IHG HOTELS & RESORTS

NEXT-GEN PAYMENTS AGREEMENT

This Next-Gen Payments Agreement (this "**Agreement**") is entered into by and between Six Continents Hotels, Inc. d/b/a IHG Hotels & Resorts ("**IHG**") and the hotel legal entity identified below ("**Hotel**") (each, a "**Party**" and collectively, the "**Parties**"):

Legal Name:	
Hotel Address:	
Inncode:	

NGP Solution. Hotel will use IHG's Next-Gen Payments Solution for Hotel's processing of card payments.

Term and Extension. This Agreement is effective upon signing, and the term of 48 months will begin upon billing commencement for the Next-Gen Payments Solution at the Hotel ("**Term**"). At the end of the then-current Term, the Term will automatically extend for an additional 48 months, unless one Party gives written notice to the other Party at least 90 days prior to the end of the Term. IHG will provide one hardware refresh for each extension of the Term.

Solution and Pricing. Hotel will pay the following fees for the Next-Gen Payments Solution package deployed to the Hotel:

Number of large Payment Devices	[ ]
Number of small Payment Devices	[ ]
NGP Monthly Fee (estimated)*	$[ ] plus applicable taxes
NGP Transaction Fee (billed by Fiserv)**	$0.06 per Transaction

*Upon implementation, IHG will confirm the NGP Monthly Fee to Hotel, which will not be 5% more or less than the fee stated in the table above. IHG may modify the NGP Monthly Fee by no more than 10% annually upon notice to Hotel.
**IHG reserves the right to lower (but not to increase) the NGP Transaction Fee upon notice to Hotel.
(The above pricing is valid for 30 days from generation of this Agreement.)

Termination/Casualty Loss Fee. Upon termination of this Agreement before the end of the Term for any reason or if the NGP equipment provided by IHG to Hotel is damaged or destroyed while in Hotel's care, custody, or control, Hotel will pay to IHG a fee equal to (i) 50% of the NGP Monthly Fee, multiplied by (ii) the remaining monthly payments in the Term.

Agreement Components. This Agreement consists of the following components, which are attached and made part of this Agreement:

- This cover page;
- The Next-Gen Payments Terms and Conditions beginning on the following page;
- Attachment 1: Third Party Terms – FreedomPay; and
- Attachment 2: Third Party Terms – Hewlett-Packard Financial Services.

Binding Agreement. By executing this Agreement in the space provided below, the Parties agree to be legally bound by the terms and conditions of this Agreement.

AGREED BY IHG:	AGREED BY HOTEL:
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

Next-Gen Payments Terms and Conditions

The Next-Gen Payments Solution replaces the secure payment solution previously in use by IHG and Hotel and is supported by key third party providers including FreedomPay, Inc. ("**FreedomPay**"), Oracle Corporation ("**Oracle**"), Hewlett-Packard, Inc. ("**HPI**"), Hewlett-Packard Financial Services Company ("**HPFS**"), Fiserv, Inc. ("**Fiserv**," together with FreedomPay, Oracle, HPI, and HPFS, the "**Third Party Providers**"). Hotel desires to procure from IHG, and IHG desires to provide to Hotel, the Next-Gen Payments Solution, pursuant to the terms of this Agreement, that will consist of hardware, software, and services including those provided by the Third Party Providers.

IHG and Hotel agree as follows:

1.0 DEFINITIONS. The following capitalized terms used in this Agreement shall have the respective meanings specified below:

"**Affiliate**" means, as to any entity, any other entity that, directly or indirectly, Controls, is Controlled by or is under common Control with such entity.

"**Control**" means, with respect to any entity, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting securities (or other ownership interest), by contract or otherwise.

"**Documentation**" means the operating manuals, user manuals, programmer manuals, training materials, product specifications, compatibility and configuration instructions, database schema, and supporting materials relating to the Next-Gen Payments Solution.

"**Hotel Agents**" means the employees, contractors, suppliers, subcontractors, and representatives of Hotel.

"**Hotel Bankruptcy Event**" means that Hotel: (a) files a petition in bankruptcy for liquidation, (b) has an involuntary petition in bankruptcy filed against it which is not challenged within ten (10) days and dismissed within thirty (30) days, (c) becomes insolvent, (d) makes a general assignment for the benefit of creditors, (e) is unable to pay its debts as they mature, (f) has a receiver appointed for its assets, (g) has any significant portion of its assets attached, (h) receives a "going concern" explanation or qualification from its external auditor, or (i) experiences a material negative change in its net assets (i.e., total assets minus total liabilities).

"**Hotel Agreement**" means the franchise, management or other agreement authorizing Hotel to operate under an IHG brand.

"**Intellectual Property**" or "**Intellectual Property Rights**" means any patents, copyrights, trademarks, trade secrets, and other proprietary or intellectual property rights.

"**Law**" means any declaration, decree, directive, legislative enactment, order, ordinance, regulation, rule or other binding restriction of or by any legislature, administrative agency, court, or other governmental authority.

"**Next-Gen Payments Solution**" means the solution enabled under the terms and conditions of this Agreement for Hotel and other IHG-branded hotels to process card payments integrated with IHG systems.

"**Payment Device**" means a card machine, pin entry device, or other electronic device used in a debit, credit, or smart card-based Transaction to accept and encrypt the cardholder's personal identification number.

"**Personal Data**" means any information (a) that, either individually or when combined with other information, can be used to identify a specific individual or derive information specific to a particular individual, and any information or data related to current, past or potential employees or customers, and (b) covered by Privacy Laws, including the following: (i) a first name and last name; (ii) a home or other physical address, including street name and name of city or town; (iii) an email address or other name, that reveals an individual's email address; (iv) a telephone number; (v) a Social Security number; (vi) credit or debit card information; (vii) checking account information, account number and check number; (viii) a driver's license, military or state identification number; (ix) a persistent identifier, such as a customer number held in a "cookie" or processor serial number, that is combined with other available data that identifies an individual; (x) human resources information, such as benefits plan information, member number, salary information, performance history, health history, and similar information; (xi) financial or transactional information; (xii) employee ID number; (xiii) government passport number or alien

registration number, or (xiv) any other information that is identifiable to or identifies an individual, whether or not combined with any of (i) through (xiii) above.

"**Privacy Laws**" means (a) the Health Insurance Portability and Accountability Act of 1996, as amended ("**HIPAA**"); (b) Gramm-Leach-Bliley Act of 1999, as amended ("**GLB**"); (c) all applicable Laws and non-governmental standards protecting Personal Data (including Payment Card Industry Data Security Standard ("**PCI-DSS**") and Payment Application Data Security Standard ("**PA-DSS**")) in effect from time to time; (d) all Laws concerning the protection, transport, storage, use and processing of data (including the General Data Protection Regulation ((EU) 2016/679), as amended ("**GDPR**") and any national implementing Laws, regulations and secondary legislation, as amended from time to time, and any successor legislation to the GDPR in effect from time to time); and (e) all applicable Laws in effect from time to time similar to those Laws listed in subsections (a) through (d) above or otherwise governing the transmission, storage, distribution, sale, or other use of Personal Data.

"**Tax**" means any income, gross receipts, franchise, sales, use, transfer, value-added, excise, customs, duties, property, withholding or any other tax, charge, or fee, including any interest, penalties, or other additions to tax, imposed by a governmental authority.

"**Transaction**" means each of (i) an on-line authorization request, (ii) a captured request that does not have a corresponding on-line authorization (examples include verbal authorizations, below floor limit or offline requests), (iii) a return request, and (vi) a void request.

2.0 SERVICE FRAMEWORK.

2.1 Next-Gen Payments Solution. During the Term, IHG will provide to Hotel the Next-Gen Payments Solution pursuant to the terms of this Agreement.

2.2 Right to Use the Next-Gen Payments Solution. During the Term, IHG hereby grants Hotel a limited, personal, revocable, nonexclusive, and non-transferable right to access and use the Next-Gen Payments Solution solely for the internal business purposes of Hotel and subject to the terms of this Agreement, including the Third Party Terms.

2.3 Restrictions on Use. Except as expressly permitted by this Agreement, Hotel shall not, and shall not permit any third party to: (a) transmit the Next-Gen Payments Solution to any third party or third party network, or permit any third party to access or use the Next-Gen Payments Solution; (b) use the Next-Gen Payments Solution, or any data derived from the Next-Gen Payments Solution, in a service bureau, time-sharing, multiple CPU, or multiple user arrangement; (c) copy, reproduce, store, sell, assign, pledge, sublicense, convey, transfer, redistribute, transmit, grant other rights in, or permit any unauthorized use of the Next-Gen Payments Solution; (d) prepare derivative works or incorporate the Next-Gen Payments Solution, in whole or part, into any other system or work; (e) reverse engineer, disassemble, decompile, decode, adapt or otherwise attempt to derive or gain access to the source code of the Next-Gen Payments Solution, in whole or in part; (f) bypass or breach any security device or protection used by the Next-Gen Payments Solution or access or use the Next-Gen Payments Solution other than by an authorized user through the use of his or her own then valid access credentials; (g) input, upload, transmit, or otherwise provide to or through the Next-Gen Payments Solution, any information or materials that are unlawful or injurious, or contain, transmit, or activate any harmful code; (h) remove, delete, alter, or obscure any warranties or disclaimers, or any Intellectual Property Rights notices from the Next-Gen Payments Solution, including any copy thereof; (i) access or use the Next-Gen Payments Solution in any manner or for any purpose that infringes, misappropriates, or otherwise violates any Intellectual Property Rights or other rights of any third party, or that violates any applicable Law; or (j) otherwise access or use the Next-Gen Payments Solution beyond the scope of the authorization granted under this Agreement, including the Third Party Terms.

2.4 Third Party Terms. Hotel shall comply with the terms and conditions set forth in **Attachment 1 (Third Party Terms – FreedomPay)** and **Attachment 2 (Third Party Terms – HPFS)** to this Agreement (collectively, the "**Third Party Terms**").

3.0 FEES, INVOICING, AND PAYMENTS.

3.1 Fees. The fees for the Next-Gen Payments Solution provided under this Agreement are set forth on the cover page of this Agreement. In addition, if a scheduled implementation is not completed and reserved resources are not utilized due to Hotel's action or inaction, Hotel will pay a reschedule fee. The obligation of Hotel to pay all fees is absolute and unconditional and, except as expressly provided, shall not be subject to any abatement, deferment, reduction, defense, counterclaim, set-off, or recoupment.

3.2 Invoicing and Payment. IHG shall invoice Hotel each month for the fees associated with the Next-Gen Payments Solution set forth on the cover page of this Agreement. For most Transactions, the NGP Transaction Fee will be collected by merchant service provider Fiserv as part of the settlement reconciliation. Hotel shall pay the fees invoiced for payment within thirty (30) days after the date of the applicable invoice.

3.3 Interest on Late Payments. Hotel will pay interest on all amounts that become past due at the lesser of: (a) one and one half percent (1½%) per month; or (b) the highest rate allowed by Law.

3.4 Payment Default. If Hotel should default on any payment obligation owed under this Agreement, IHG shall have the right to suspend access to and use of the Next-Gen Payments Solution by Hotel. Additionally, Hotel will be responsible for all collection costs and attorney fees incurred by IHG to collect any delinquent amounts.

3.5 Taxes. All Taxes resulting from the provision of the Next-Gen Payments Solution under this Agreement shall be the responsibility of Hotel. If IHG is required to pay any such Taxes or penalties or interest relating thereto, IHG will provide an invoice for such amounts and Hotel will pay such amounts within thirty (30) days of the date of the invoice.

4.0 CONFIDENTIAL INFORMATION. From time to time, IHG or an IHG Affiliate may disclose or make available to Hotel, whether orally, electronically or in physical form, confidential or proprietary information of or in the possession of IHG or the IHG Affiliate (including confidential or proprietary information of a third party that is in the possession of IHG or the IHG Affiliate) in connection with the Next-Gen Payments Solution or this Agreement. The term "**Confidential Information**" shall include all information and data which at the time of disclosure: (a) is marked as "Confidential" or "Proprietary"; (b) is otherwise reasonably identifiable as the confidential or proprietary information of IHG or its Affiliate; or (c) should reasonably be understood to be confidential or proprietary information of IHG or its Affiliate given the nature of the information and the circumstances surrounding its disclosure. Hotel shall not disclose any such Confidential Information to any third party without the prior written consent of IHG and shall only access and use the Confidential Information as required to and for the limited purpose of performing its obligations under this Agreement; *provided that* Hotel may disclose Confidential Information to its employees, contractors and professional advisors who need to know such information in order to perform their obligations related to this Agreement and who are contractually bound by confidentiality obligations that are at least as protective as those in this Agreement. Hotel shall use commercially reasonable care and discretion to avoid unauthorized use, disclosure, publication, or dissemination of Confidential Information (which shall be no less than the standard of care used by Hotel to protect its Confidential Information of a similar nature). For Confidential Information that does not constitute a "trade secret" under applicable Law, these confidentiality obligations will expire three (3) years after the termination or expiration of this Agreement. For Confidential Information that constitutes a "trade secret" under applicable Law, these confidentiality obligations will continue until such information ceases to constitute a "trade secret" under such applicable Law. Hotel will be responsible for any breach of this Section by Hotel Agents and Hotel's Affiliates and any third party to whom it or they disclose Confidential Information in accordance with this Section ("**Recipients**"). Upon the request of IHG, Hotel shall deliver to IHG or destroy all copies of Confidential Information. Hotel agrees to certify in writing to IHG that it and each of its Affiliates, Hotel Agents, and Recipients have performed the foregoing. Excluding Personal Data, which shall always be deemed to be Confidential Information, the term Confidential Information will not include any information that Hotel can establish by convincing written evidence: (a) was independently and lawfully developed by Hotel without use of or reference to any Confidential Information belonging to or received from IHG or an IHG Affiliate; (b) was lawfully acquired by Hotel from a third party having the legal, unconditional right to furnish same to Hotel; or (c) was at the time in question (whether at disclosure or thereafter) generally known by or available to the public (through no fault of Hotel). These confidentiality obligations will not restrict any disclosure required by Law, *provided that* Hotel gives prompt notice to IHG of any such legal requirement and reasonably cooperates with IHG at IHG's request and expense to resist such legal requirement or to obtain a protective order.

5.0 SECURITY PRACTICES. Hotel shall be responsible for ensuring adequate security and backup procedures to avoid unauthorized access to, use of, or inadvertent loss of data and shall, in its discretion, determine appropriate security, which shall be no less than the standard of care in the industry.

6.0 IHG INTELLECTUAL PROPERTY As between the Parties, IHG owns all Intellectual Property Rights in and to the Next-Gen Payments Solution and the Documentation, including all modifications, enhancements, and derivative works of the Next-Gen Payments Solution and the Documentation. IHG will own all right, title and interest (including all Intellectual Property Rights) in and to all ideas, concepts, plans, creations or work product developed in connection with the Next-Gen Payments Solution and the Documentation, including, without limitation, any writings, drawings, computer programs, source code, and object code (collectively, the "**Work Product**"). The Work Product are not works made for hire. Hotel hereby unconditionally and irrevocably grants, transfers, and assigns to IHG in perpetuity any and all worldwide right, title, and

interest (including all Intellectual Property Rights) in and to the Work Product. Hotel may, in its sole discretion and option, provide IHG with input, comments or suggestions regarding the business and technology of IHG or the possible creation, modification, correction, improvement or enhancement of the Next-Gen Payments Solution ("**Feedback**"). Hotel hereby grants IHG a perpetual, irrevocable, fully-paid worldwide, sublicensable, transferable license and right to use, copy, incorporate, distribute, perform, display, modify and exploit any Feedback without any compensation, obligation to report on such use, or any other restriction. Feedback will not be considered Confidential Information or a trade secret of Hotel.

7.0 REPRESENTATIONS, WARRANTIES AND COVENANTS.

7.1.1 Hotel Responsibilities. Hotel will, and will cause the Hotel Agents to: (a) test the Next-Gen Payments Solution in the environment of Hotel before use; (b) ensure that the personnel of Hotel are using the Next-Gen Payments Solution correctly; (c) enter information into the Next-Gen Payments Solution accurately and completely; and (d) report any actual or suspected software errors or failures discovered in the course of using the Next-Gen Payments Solution to IHG.

7.2 Disclaimer. IHG is not the licensor or provider of any third party solutions made available to Hotel under this Agreement and offers no warranties on the third party solutions. In agreeing to the Third Party Terms, Hotel is relying solely on the warranties of the Third Party Providers, if any, expressly passed through to Hotel under the Third Party Terms. EXCEPT AS EXPRESSLY STATED IN THIS **SECTION 7.0**, IHG HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, FOR NETWORK CONNECTIVITY, AVAILABILITY, SOFTWARE, HARDWARE, SYSTEMS, OR TRANSACTION PROCESSING OR FOR MERCHANTABILITY, SATISFACTORY QUALITY AND FITNESS FOR A PARTICULAR PURPOSE. EXCEPT FOR ANY PASS-THROUGH WARRANTY MADE BY A THIRD PARTY PROVIDER OF SERVICES, ALL SERVICES, AND ALL SUPPORT MATERIALS AND OTHER DATA, SOFTWARE OR OTHER ITEMS ARE PROVIDED "AS IS" AND "WHERE IS".

8.0 TERMINATION.

8.1 Termination for Cause. If Hotel defaults in the performance of any of its obligations under this Agreement and does not cure such default within twenty (20) days after receipt of a written notice of default from IHG, then IHG may terminate this Agreement, in whole or in part, as of the termination date specified in such written notice. If Hotel breaches the Hotel Agreement, and fails to cure such default within ten (10) days after receipt of a notice of default from IHG or an IHG Affiliate, then IHG may terminate this Agreement, in whole or in part, immediately upon written notice to Hotel as of the termination date specified in the notice, without any cure period.

8.2 Termination or Expiration of the Hotel Agreement. In the event that the Hotel Agreement terminates or expires, then this Agreement shall automatically terminate.

8.3 Termination for Hotel Bankruptcy Event. IHG may terminate this Agreement, in whole or in part, immediately upon written notice to Hotel upon a Hotel Bankruptcy Event.

8.4 Other Remedies. If any of the above events set forth in **Section 8.1** through **Section 8.3** shall occur, IHG may, in addition to or in lieu of exercising its termination or other, legal, equitable, or contractual rights, limit, reduce, suspend, or terminate Hotel's use of or access to the Next-Gen Payments Solution.

9.0 INDEMNIFICATION.

9.1 Hotel Indemnity. Hotel will defend, indemnify, and hold harmless IHG, its Affiliates, and their respective officers, directors, employees, and agents against any claims, losses, liabilities, and damages arising out of or relating to a breach by Hotel of this Agreement, including the Third Party Terms.

10.0 DAMAGES.

10.1 Limitation on Types of Damages. IHG will not be liable to Hotel for any indirect, consequential, special, incidental, or punitive damages, loss of goodwill, loss of profits, personal injury or property damage or loss, corruption, or unauthorized access to or use of data, even if such damages were foreseeable.

10.2 Limitation on Amounts of Damages. IHG SHALL NOT BE LIABLE TO HOTEL UNDER THIS AGREEMENT FOR DAMAGES IN EXCESS OF THE FEES PAID BY HOTEL UNDER THIS AGREEMENT IN THE THREE (3) MONTHS PRECEDING THE EVENT GIVING RISE TO LIABILITY.

11.0 MISCELLANEOUS PROVISIONS.

11.1 Compliance. Hotel will comply with (i) all Laws applicable to Hotel and the Next-Gen Payments Solution, including all applicable Privacy Laws; and (ii) the policies, requirements, and procedures of IHG that are made available to Hotel from time to time.

11.2 Assignment. Neither this Agreement nor any right or interest under this Agreement is assignable or transferable by Hotel. IHG and its assignees shall have the right to assign or transfer this Agreement or any of the rights, duties, or obligations of IHG under this Agreement, in whole or in part, to any person or legal entity without requirement of prior notice to, or consent of, Hotel. This Agreement shall be binding on the Parties and their respective successors and permitted assigns.

11.3 Notices. In any case where any notice, approval, agreement or other communication is required or permitted to be given under this Agreement, such notice, approval, agreement or communication shall be in writing and deemed to have been duly given and delivered: (a) if delivered in person, on the date of such delivery; or (b) if sent by overnight express or registered or certified mail (with return receipt requested), on the date of receipt of such mail. Such notice or other communication shall be sent to the address(es) set forth in the Hotel Agreement (or such other address(es) as a Party may designate from time to time in writing).

11.4 Changes and Modifications. The terms and conditions of this Agreement may not be amended, waived, or modified, except in a writing signed by both Parties.

11.5 Severability. To the fullest extent permitted by Law, if any provision of this Agreement, or the application thereof to any person or circumstance, is held by a court of competent jurisdiction to be invalid or unenforceable, then (a) the court shall have the authority to modify and/or "blue pencil" this Agreement, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected by such invalidity or unenforceability.

11.6 Force Majeure. IHG is not liable for failing to fulfill any of its obligations under this Agreement due to acts of God, acts of war, epidemic, pandemic, failure of utility or communications infrastructure beyond that which would be avoided by reasonable use of back-up electricity supplies, or other causes beyond the reasonable control of IHG.

11.7 Negotiated Terms. This Agreement will not be construed in favor of or against any Party by reason of the extent to which any Party or its professional advisors participated in the preparation of this Agreement or based on a Party's undertaking of an obligation under this Agreement.

11.8 Headings. The headings of sections of this Agreement are for convenience of reference only and will not affect the meaning or interpretation of this Agreement in any way.

11.9 Survival. The provisions contained in this Agreement that by their context are intended to survive termination or expiration will survive, including without limitation, **Sections 4.0 (Confidential Information)**; **5.0 (Security Practices)**; **6.0 (IHG Intellectual Property)**; **9.0 (Indemnification)**; **10.0 (Damages)**; and **11.0 (Miscellaneous Provisions)**.

11.10 Governing Law; Sole and Exclusive Venue. This Agreement and the rights and obligations of the Parties under this Agreement shall be governed by and construed in accordance with the Laws of the State of Georgia, without giving effect to the principles thereof relating to the conflicts of Laws. Each Party irrevocably agrees that any legal action, suit or proceeding brought by it in any way arising out of this Agreement must be brought solely and exclusively in the state courts located in the County of Fulton, State of Georgia, and irrevocably accepts and submits to the sole and exclusive jurisdiction of each of the aforesaid courts in personam, generally and unconditionally with respect to any action, suit or proceeding brought by it or against it by the other Party.

11.11 Electronic Signatures. The Parties agree that: (i) this Agreement may be executed by electronic signature initiated through any mutually agreed commercial electronic signature provider to a Party's authorized signatory's password-protected access email address identified to the other Party ("**Electronic Document**"); and (ii) an electronic signature appearing on an Electronic Document shall have the same force and effect and be considered for all purposes as an original ink signature.

11.12 Entire Agreement. This Agreement, and any other documents referenced in this Agreement, constitutes the entire agreement between the Parties with respect to the subject matter hereof, and supersedes all other communications, including but not limited to all prior agreements, between the Parties with respect to such subject matter.

11.13 Third Party Beneficiary. Except for the indemnified parties, the Parties do not intend to create rights for any person as a third party beneficiary of this Agreement. All actions, claims, demands and other disputes between such third party beneficiary and IHG related to this Agreement, shall be brought through Hotel acting in its individual capacity and/or as agent of the aggrieved third party beneficiaries.

* * * *

Attachment 1 – Third Party Terms
FreedomPay

Hotel acknowledges that FreedomPay is the provider of the payment gateway services provided to Hotel through the Next-Gen Payments Solution. Hotel agrees to the following Third Party Terms required by FreedomPay:

1. WARRANTIES.

1.1. Relationship of Hotel, IHG, and FreedomPay. Hotel acknowledges that, although IHG will process the on-boarding of Hotel, administer payments related to the Next-Gen Payments Solution, and facilitate support for Hotel, FreedomPay is the provider of the payment gateway services. Hotel will be accessing a single hosted environment configured for IHG, and Hotel does not have the right or ability to customize the hosted environment for its individual needs. The payment of fees and requests for service, and other interaction with FreedomPay will be routed through IHG, acting as a facilitator. Hotel will direct requests for service to IHG.

1.2. PIM Compliance: Hotel shall be responsible for procuring and maintaining, at its sole cost, all hardware, software and data communication and connectivity required to connect to the FreedomPay system and services (the "**FreedomPay Solution**"). Delivery of PCI-Validated Point-to-Point Encryption Secure Switching is subject to Hotel's compliance with the FreedomPay P2PE Instruction Manual (the "**PIM**") and Hotel's acknowledgement of such compliance in the form set forth on **Exhibit 1 to Attachment 1 (PIM Acknowledgement)** to this Attachment. In the event Hotel does not comply with any obligation under the PIM, IHG may, but shall not be obligated, to perform any such obligation or otherwise mitigate such non-compliance, in which event IHG may charge Hotel reasonable fees to compensate IHG for such mitigation, including, without limitation, charging the then current list price for the applicable IHG services. Further, a failure to comply with the PIM or the requirements of **Section 3** below will result in the disallowance of the benefits to Hotel described in the PIM.

1.3. Third Party Services. FreedomPay makes no representations or warranties, express or implied, as to any third-party services that FreedomPay enables or provides, including but not limited to fraud protection, 3-D Secure, DCC, loyalty or discount programs and/or any other ancillary services enabled or provided by FreedomPay in the future.

1.4. Hotel Products and Services. Hotel understands that the services are designed and provided for the sole purpose of facilitating the sale of Hotel's products and services and that FreedomPay is not responsible for the quality or quantity or other aspects of Hotel's products and services or those of any third party not under FreedomPay's control.

1.5. PIN keys and KSNs. Hotel shall be responsible for procuring from its acquiring bank any necessary PIN keys and KSNs needed to allow pin-debit payment card Transactions.

1.6. Transaction Settlement. Hotel agrees that FreedomPay shall have no liability or obligation to Hotel for any Transactions not submitted or reported to FreedomPay for settlement within sixty (60) days after the actual date of the Transaction. For Transactions submitted or reported after such time limit, FreedomPay will attempt to settle such Transactions if the data is available, but FreedomPay will have no liability to Hotel if it is unable to settle such Transactions.

1.7. Updates. FreedomPay may implement a hosted update on the FreedomPay Solution at such time as it determines, and Hotel shall have the flexibility to commence implementing non-hosted updates according to the schedule of IHG, which implementation shall be commenced no later than twelve (12) months after notice from FreedomPay and completed no later than twenty-four (24) months after such notice, unless such non-hosted update is required by Law, network requirements or PCI requirements, or other applicable authority, in such case Hotel shall implement such non-hosted update in accordance with the date required in such Law or requirement. If Hotel fails to implement any non-hosted update when required as set forth in this Section, FreedomPay reserves the right to terminate operational support for the prior release (even if Hotel continues to rely on the prior release) and will not be deemed in breach for doing so. Unless otherwise agreed in writing by IHG in its reasonable discretion, a FreedomPay update shall not degrade the performance, functioning or operation of the FreedomPay Solution and shall not cause the performance, functioning or operation of the FreedomPay Solution to fail to meet the requirements of this Agreement; provided, however, that the foregoing shall not apply to any FreedomPay updates that are

required by Law, network requirements, PCI requirements, acquirer requirements, or a change introduced by, any governmental authority, any regulatory body, a processor or card brand.

1.8. Status Alerts. FreedomPay maintains a status alerting system program to notify Hotel about any FreedomPay system status issues. It is strongly recommended that Hotel enroll at freedompay.statuspage.io in order to access FreedomPay system status alerts.

1.9. Customer Consents. Hotel acknowledges and agrees that it shall be solely responsible for obtaining any and all consumer consents needed in connection with the provision of any service offered by FreedomPay, including third-party services, as required by applicable Law.

1.10. SKU Level Data. The FreedomPay Solution requires full SKU level data to be transmitted with each Transaction, and accordingly, Hotel must configure its eCommerce system to pass through full SKU level data with each Transaction. Failure to provide such full SKU level data will adversely affect FreedomPay's systems and may result in suspension of Hotel's access to the FreedomPay Solution, unless Hotel remedies such failure within thirty (30) days.

1.11. Production Data. PCI rules prohibit the use of production data (i.e., live PANs) in testing and/or development. Accordingly, to the extent applicable, Hotel shall not use any production data in testing or development.

2. LIMITATION OF LIABILITY

2.1. DISCLAIMERS OF LIABILITY FOR CERTAIN ACTIONS. IF ANY OF THE FOLLOWING ACTIONS ARE TAKEN BY OR ON BEHALF OF HOTEL, OR HOTEL REQUESTS THAT FREEDOMPAY TAKE ANY OF THE FOLLOWING ACTIONS ON BEHALF OF HOTEL, CERTAIN NEGATIVE CONSEQUENCES WILL FOLLOW AND FREEDOMPAY'S LIABILITY WILL BE FURTHER LIMITED, ALL AS DESCRIBED BELOW:

2.1.1. OFFLINE MODE DISABLEMENT DISCLAIMER. IF OFFLINE MODE IS DISABLED, INTERNAL NETWORKING ISSUES IN HOTEL'S SYSTEMS WILL MAKE SUCH SYSTEMS UNABLE TO ACCEPT CREDIT CARD TRANSACTIONS. FURTHER, IF FREEDOMPAY'S GATEWAY IS OFF-LINE OR OTHERWISE UNAVAILABLE, HOTEL WILL NOT BE ABLE TO ACCEPT CREDIT CARD TRANSACTIONS AT ALL (I.E., IN OFF-LINE MODE). FREEDOMPAY IS NOT RESPONSIBLE FOR FREEDOMPAY'S SYSTEMS DOWNTIME RESULTING FROM OFFLINE MODE BEING DISABLED, OR FOR ISSUES THAT ARE CAUSED BY HOTEL'S INTERNAL NETWORK OR SYSTEMS, CAUSING SUCH SYSTEMS TO GO OFFLINE, AND FREEDOMPAY'S SERVICE LEVELS WILL BE DEEMED NOT IMPACTED IN ANY WAY BY SUCH DOWNTIME. FOR CLARITY, IF OFFLINE MODE IS DISABLED, HOTEL WILL NOT BE ELIGIBLE FOR ANY REFUNDS OF FEES, AND FREEDOMPAY'S WARRANTIES ARE VOIDED.

2.1.2. CVV DISABLEMENT DISCLAIMER IF PROMPTING FOR THE CARD VERIFICATION VALUE ("**CVV**") IS DISABLED (FOR MANUAL TRANSACTIONS ONLY), HOTEL ACKNOWLEDGES AND AGREES THAT ANY INTERCHANGE DOWNGRADES RESULTING FROM SUCH CVV DISABLEMENT, AND ANY LIABILITY FOR INCREASED INTERCHANGE CHARGES AND MERCHANT SERVICES CHARGES RESULTING FROM SUCH CVV DISABLEMENT ARE THE SOLE OBLIGATION OF HOTEL, AND FREEDOMPAY SHALL HAVE NO LIABILITY TO HOTEL FOR SUCH CHARGES.

2.1.3. PIN KEY DISCLAIMER. IF EITHER (a) HOTEL IS UNABLE TO OBTAIN THE PROPER KSN FROM THEIR ACQUIRING BANKS FOR ITS PIN KEY OR (b) FREEDOMPAY'S KEY INJECTION VENDOR DOES NOT HAVE THAT PIN KEY WITHIN ITS SYSTEM AND IT CANNOT BE OBTAINED PRIOR TO IMPLEMENTATION, ANY CONSUMER WHO PRESENTS A CHIP AND PIN CARD WILL BE REQUIRED TO UTILIZE CHIP AND SIGNATURE INSTEAD. CHIP AND SIGNATURE AND CHIP AND PIN ARE KNOWN AS "**CARD VERIFICATION METHODS**," OR "**CVMs**." EACH ISSUED CREDIT CARD HAS A PREFERRED CVM. IF THAT PREFERRED CVM IS NOT USED, THAT SPECIFIC TRANSACTION FALLS UNDER THE EMV LIABILITY SHIFT, MEANING IF THAT CONSUMER DISPUTES THE TRANSACTION THEN HOTEL MAY BE LIABLE FOR FRAUD OR CHARGEBACKS, EVEN THOUGH IT WAS AN EMV TRANSACTION. FREEDOMPAY IS NOT LIABLE FOR ANY FRAUD OR CHARGEBACKS TO HOTEL IF A PIN KEY IS BE AVAILABLE FOR HOTEL'S IMPLEMENTATION.

2.1.4. CVM DISABLEMENT DISCLAIMER. HOTEL HEREBY ACKNOWLEDGES THAT IT HAS BEEN INFORMED AND FULLY UNDERSTANDS THAT ANY DISABLEMENT OF THE PREFERRED CVM

REQUIREMENTS FOR CHIP CARDS; OR OTHER SUPPRESSING OF PREFERRED CVM REQUIREMENTS, IS AT HOTEL'S SOLE RISK AND FREEDOMPAY SHALL HAVE NO LIABILITY TO HOTEL OR ANY THIRD PARTY FOR FRAUD CLAIMS OR CHARGEBACKS; A FRAUD CLAIM WILL RESULT IN A LOST CHARGEBACK TO HOTEL DESPITE THE IMPLEMENTATION OF EMV BY FREEDOMPAY IN HOTEL'S SYSTEM, AND THAT AS SUCH, HOTEL ASSUMES ALL RISK THAT DISABLING PREFERRED CVM REQUIREMENTS ENTAILS, INCLUDING LIABILITY FOR THE CHARGEBACKS.

3. INTELLECTUAL PROPERTY RIGHTS

3.1. FreedomPay Technology. Hotel acknowledges that all right, title and interest in and to all Intellectual Property Rights in the FreedomPay Solution (other than third-party goods and third-party services), together with all modifications, improvements, enhancements, updates, localizations and translations thereof (collectively, "**FreedomPay Technology**"), are, and at all times will remain, the sole and exclusive property of FreedomPay. Nothing contained in this Agreement may directly or indirectly be construed to assign or grant to Hotel or any third party any license, right, title or interest in or to the FreedomPay Technology except as necessary to use the FreedomPay Solution or as otherwise expressly provided in this Agreement. The license granted to Hotel in this Agreement is limited to facilitating the sale of Hotel's products and services and does not include any other rights of any type. FreedomPay owns all Remaining Rights. "**Remaining Rights**" means, except for the limited license granted to Hotel under this Agreement, all other rights in the FreedomPay Technology, including but not limited to, improvements, modifications, alterations, additions and deletions to any trademark, logo, copyright or other notices, legends, symbols, labels, displays, sounds, other media or characteristics on or in the FreedomPay Technology.

EXHIBIT 1 TO ATTACHMENT 1
PIM Acknowledgement

ACKNOWLEDGMENT

The undersigned merchant hereby acknowledges that it has received, read and understood the FreedomPay P2PE Instruction Manual ("**PIM**") and further acknowledges that continuing compliance with the FreedomPay PIM is a PCI requirement for SAQ P2PE-HW merchant scope reduction qualification. Capitalized terms in this Acknowledgment have the meanings set forth in the PIM.

Merchant acknowledges that: the PIM is provided solely for informational purposes and use as a program implementation guideline for PCI DSS scope reduction; the PIM is based on PCI P2PE and/or DSS guidelines in effect as of the date of this manual; nothing in the PIM is or may be construed as a representation or warranty of any nature whatsoever; that Freedom Pay, Inc. ("**FreedomPay**") disclaims liability for any errors or omissions in the PIM; FreedomPay does not validate or warrant merchant compliance with PCI DSS or merchant eligibility for any validation or other accreditation standards; review or approval by FreedomPay of merchant systems or processes does not constitute a representation or warranty by FreedomPay of merchant system effectiveness or suitability and shall not be deemed to transfer risk or liability to FreedomPay; the use of any POI device other than a FreedomPay-approved POI device is at merchant's sole risk; FreedomPay has no duty to inspect data transmitted by merchant for unencrypted cardholder data introduced by the use of POI devices not supplied by FreedomPay; data processing by FreedomPay does not constitute a warranty that merchant is within the scope of the FreedomPay P2PE Solution; and that FreedomPay makes no warranties, express or implied, including warranties of merchantability or fitness for a particular purpose or otherwise.

ACKNOWLEDGED

Signature: _____

Attachment 2 – Third Party Terms
HPFS

Hotel acknowledges that IHG is providing certain equipment (such as Payment Devices) to Hotel for use as part of the Next-Gen Payments Solution (the "**Equipment**"), and HPFS is leasing and financing such Equipment to IHG. IHG will make such Equipment available to Hotel under the terms of this Agreement. Hotel agrees to the following Third Party Terms required by HPFS:

1. MISCELLANEOUS.

1.1. Equipment Use; Maintenance. Hotel shall (a) ensure that the Equipment is kept in good and proper working condition, normal wear and tear excepted, (b) not make any alterations or improvements to the Equipment without the prior written approval of the manufacturer, and (c) operate and maintain the Equipment in accordance with the user manuals and documentation, and any instructions issued by the manufacturer from time to time.

1.2. Equipment Location. Hotel shall not locate or relocate any Equipment without IHG's prior written consent. IHG's consent may be conditioned upon Hotel's execution of a waiver agreement pursuant to which, among other things, the entity controlling the new location shall have waived any rights to the Equipment and agreed to surrender the Equipment to IHG or HPFS upon an event of default. Hotel shall confirm the Equipment location in writing to IHG upon IHG's request.

1.3. Liens and Encumbrances. Hotel covenants that it will not pledge or encumber any of the Equipment or the interest of HPFS in the Equipment in any manner whatsoever nor create or permit to exist any levy, lien or encumbrance thereof or thereon except those created by or through HPFS. The Equipment shall remain the personal property of HPFS (during the initial 48-month Term) whether or not affixed to realty and shall not become a fixture or be made to become a part of any real property on which it is placed without the prior written consent of HPFS.

1.4. Risk of Loss; Insurance. Hotel assumes any and all risk of loss or damage to the Equipment until such Equipment is returned to and received by HPFS or IHG in accordance with the terms and conditions of this Agreement or the IHG-HPFS agreement. Hotel agrees to keep the Equipment insured at the expense of Hotel against all risks of loss from any cause whatsoever, including without limitation, loss by fire (including extended coverage), theft and damage, and such insurance shall cover not less than the replacement value of the Equipment. Hotel shall name HPFS as a loss payee and an additional insured, as applicable, under such insurance policies.

1.5. Performance of Obligations. If Hotel fails to perform any of its obligations hereunder and the same constitutes an event of default, IHG (acting on behalf of HPFS) may, during the continuance of such default perform any act or make any payment that IHG deems reasonably necessary for the preservation of IHG's or HPFS's interests therein; provided, however, that the performance of any act or payment by IHG shall not be deemed a waiver or release of Hotel from the obligation at issue. All sums so paid by IHG shall be paid to IHG by Hotel immediately upon demand.

PARTICIPATION AGREEMENT
IHG Secure Payment Solution (FP)

This Participation Agreement for the IHG Secure Payment Solution (FP), effective as of the date of last signature below, is entered into by and between Six Continents Hotels, Inc. ("IHG") and _____ for the hotel _____ located at _____, Inncode _____ ("Hotel").

By execution of this Participation Agreement, the parties hereto agree as follows:

1. Requirement for Participation Agreement. Hotel acknowledges that IHG and FreedomPay have entered into the Secure Payment Solution Agreement (the "SPS Agreement"), effective as of July ___, 2021. The SPS Agreement provides that an IHG-branded hotel or service company to such a hotel may, upon execution of a Participation Agreement, receive the benefit of the Secure Payment Solution services agreed by IHG and FreedomPay.

2. FreedomPay Services. FreedomPay will provide services in accordance with the terms of this Participation Agreement, including the FreedomPay Pass-Through Terms set forth on Attachment 1, which Hotel expressly agrees to and accepts. With respect to security, availability, and confidentiality, FreedomPay provides the statement set forth on Attachment 2. Hotel will sign the PIM Acknowledgement set forth on Attachment 3.

3. Relationship of Hotel, IHG, and FreedomPay. Hotel acknowledges that, although IHG will process the on-boarding of Hotel, administer payments related to the services, and facilitate support for Hotel, FreedomPay is the provider of services. Hotel will be accessing a single hosted environment configured for IHG, and Hotel does not have the right or ability to customize the hosted environment for its individual needs. The payment of fees and requests for service, and other interaction with FreedomPay will be routed through IHG, acting as a facilitator. Hotel will direct requests for service to IHG.

4. Fees. Hotel will pay IHG a fee of $0.06 per transaction, where "transaction" means each of (i) an on-line authorization request, (ii) a captured request that does not have a corresponding on-line authorization (examples include verbal authorizations, below floor limit or offline requests), (iii) a return request, and (vi) a void request. For most transactions, this fee will be collected by the merchant service provider as part of the settlement reconciliation. IHG reserves the right to lower (but not to increase) this transaction fee upon notice to Hotel. In addition, Hotel will pay IHG a support fee of $140 per month. IHG may modify this support fee by no more than 10% annually upon notice to Hotel.

5. Equipment. Hotel will use IHG-approved equipment purchased for use with Secure Payment Solution. Pricing will be set forth in the equipment order form.

6. Use of Equipment. Hotel shall (a) ensure that the equipment is kept in good and proper working condition, normal wear and tear excepted, (b) not make any alterations or improvements to the equipment without the prior written approval of the manufacturer, and (c) operate and maintain the goods in accordance with the user manuals and documentation, and any instructions issued by the manufacturer from time to time.

7. Equipment Warranty Pass-Through. Equipment is manufactured by a third party and is subject to a warranty provided by that third party, and without limiting any other representations, warranties or covenants of IHG, IHG hereby assigns such warranty to Hotel or, if such warranty cannot be so assigned, IHG shall pass through the benefit of such warranties to Hotel, and otherwise cooperate with Hotel in this respect.

8. Acknowledgement of IHG Data Access. Hotel acknowledges and agrees that IHG will have full access to the transactions and data processed on behalf of Hotel by FreedomPay. Such information may include names, services purchased, usage, billings, payment status, payment card data, and other information related to IHG's management of the service relationship with FreedomPay.

9. Ownership of and Restrictions on Use of Hotel Data. Subject to the rights granted to IHG in the IHG-FreedomPay SPS Agreement, FreedomPay acknowledges and agrees that all data provided by or on behalf of Hotel to FreedomPay under this Participation Agreement ("Hotel Data"), as between FreedomPay and Hotel, is and shall remain the property of Hotel. Hotel Data, constitutes Confidential Information of Hotel, may only be used, stored, or copied by FreedomPay (a) for assisting in completing a card transaction, (b) for fraud control services, (c) as otherwise permitted by Hotel, (d) as otherwise permitted by IHG, or (e) to perform FreedomPay's obligations under this Participation Agreement. When reporting its total count of transactions processed for all customers FreedomPay may include in such total the transactions processed under this Participation Agreement as long as the data so included is limited to Hotel Aggregated Data.. Hotel hereby further authorizes FreedomPay's use of Hotel Aggregated Data to improve the Solution and as expressly provided in this Participation Agreement. "Hotel Aggregated Data" means data collected or generated by FreedomPay as a result of FreedomPay providing Services that meets each of the following requirements: (a) Hotel's transactions cannot be identified or associated with Hotel directly or indirectly; (b) no personally identifiable data is included; and (c) no individual can be identified, contacted, or marketed to, directly or indirectly, from such data.

10. Return of Hotel Data; License to Use Hotel Data. Upon termination, Hotel may request, but subject to PCI DSS rules and all applicable laws (including statutes of limitation), and FreedomPay shall: (a) promptly provide to Hotel, in the format and on the media reasonably requested by Hotel, a copy of all or any part of the Hotel Data; (b) promptly return to Hotel, in the format and on the media reasonably requested by Hotel, all or any part of the Hotel Data that has exceeded established retention policies; and (c) erase or destroy all or any part of the Hotel Data in FreedomPay's or FreedomPay agents' possession that has exceeded established retention policies, and certify in writing to the Hotel that it and each of its Affiliates has performed the foregoing, in each case to the extent so requested by Hotel. Any archival tapes containing Hotel Data shall be used by Supplier and Supplier Agents solely for back-up purposes. Hotel hereby grants FreedomPay a perpetual, non-exclusive license to store, copy and use Hotel Data to the extent necessary to perform its obligations under this Participation Agreement and comply with applicable law and to use and disclose Hotel Aggregated Data for FreedomPay's business purposes. Hotel further acknowledges and agrees that IHG shall have full access to the transactions and data processed on behalf of Hotel by FreedomPay, including the Hotel Data. Such data and information may include names, services purchased, usage, billings, payment status, payment card data, and other information related to IHG's management of the service relationship with FreedomPay.

11. Right to Suspend Service. IHG reserves the right to suspend the services if Hotel violates any material term of this Participation Agreement.

12. Warranty. Hotel acknowledges that FreedomPay has provided to IHG the following terms on warranties and associated remedies:

12.1 Performance Warranty. FreedomPay represents, warrants and covenants that the Services will be performed (a) in a professional and timely manner and in accordance with the generally accepted industry best practices and (b) by adequate numbers of personnel with the education, experience, training and qualifications required to perform the tasks to which they are assigned, and (c) shall satisfy the Specifications set forth in the IHG-FreedomPay SPS Agreement, and perform in accordance with the related documentation. IHG's sole and exclusive remedy for breach of clause (a) shall be re-performance of such Services or, if FreedomPay cannot substantially correct such breach and re-perform the Services in a commercially reasonable manner, a refund of the Fees paid to FreedomPay for the defective Service. Non-performance by FreedomPay shall be excused if and to the extent resulting from non-performance by IHG or wrongful acts or omissions of IHG.

12.2 No Implied Warranties. EXCEPT AS EXPRESSLY SET FORTH HEREIN, FREEDOMPAY MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY GOODS OR SERVICES OR THE SYSTEM. ALL IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT, ARE HEREBY DISCLAIMED. FREEDOMPAY FURTHER DISCLAIMS ANY LIABILITY

FOR LOSS, DAMAGE OR INJURY TO HOTEL OR THIRD PARTIES AS A RESULT OF ANY DEFECT, LATENT OR OTHERWISE, IN THE GOODS WHETHER ARISING FROM THE APPLICATION OF THE LAWS OF STRICT LIABILITY OR OTHERWISE. FREEDOMPAY DOES NOT WARRANT THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE.

13. No Indirect Damages. IHG SHALL HAVE NO LIABILITY WITH RESPECT TO THE PERFORMANCE OF THIRD-PARTY GOODS OR THIRD-PARTY SERVICES. THE LIABILITY OF IHG ARISING OUT OF OR RELATING TO THIS PARTICIPATION AGREEMENT AND THE DIRECT SERVICES SHALL BE LIMITED TO THE ACTUAL AMOUNT PAID BY HOTEL TO IHG FOR THE SERVICES GIVING RISE TO SUCH DAMAGES DURING THE PRIOR SIX MONTHS. Notwithstanding anything to the contrary contained in this Participation Agreement, IHG shall have no liability under this Participation Agreement or in any way related to the Secure Payment Solution for any incidental, indirect, exemplary, punitive or consequential damages, or any lost data, lost business, lost revenue or opportunity cost or damage to reputation or goodwill, howsoever arising (whether foreseeable or not, or within the contemplation of either Party) whether arising in contract or tort (including negligence and breach of statutory or other duty) or other form of equitable or legal theory. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH HEREIN, THE SOLE AND EXCLUSIVE REMEDY FOR ANY DEFECT IN THE SYSTEM OR DEFECT IN OR FAILURE TO PERFORM OR TIMELY PERFORM SERVICES UNDER THIS PARTICIPATION AGREEMENT SHALL BE A CREDIT FOR SERVICE PAYMENTS DUE UNDER THIS PARTICIPATION AGREEMENT.

14. Compliance. Hotel shall at all times be in material compliance with all applicable laws, regulations, and PCI DSS requirements relating to data security and privacy.

15. Co-Terminous Agreement. Hotel acknowledges and agrees that, if/when this Participation Agreement, the SPS Agreement, or Hotel's right to operate a hotel under an IHG brand expires or terminates for any reason, this Participation Agreement shall terminate and Hotel shall no longer be eligible to receive services under this Participation Agreement.

16. Assignment. Hotel shall not assign its rights or delegate its obligations under this Participation Agreement to any third party without IHG's prior written consent. This Participation Agreement will be binding upon the parties' respective successors in interest and permitted assigns.

17. Governing Law. This Participation Agreement shall be governed by and construed in accordance with the laws of the state of New York, without giving effect to the principles thereof relating to the conflicts of laws.

18. Entire Agreement. This Participation Agreement represents the entire agreement between the parties with respect to its subject matter and supersedes all prior discussions and agreements between the parties with respect to such subject matter.

By executing this Participation Agreement in the space provided below, the parties agree to be legally bound by the terms and conditions of this Participation Agreement.

AGREED BY **Six Continents Hotels, Inc.**	**AGREED BY** **Hotel**:
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____
Date Signed:_____	Date Signed:_____

ATTACHMENT 1
FreedomPay Pass-Through Terms

Hotel acknowledges that FreedomPay, Inc. is the provider of the payment gateway services provided to Hotel under this Participation Agreement between IHG and Hotel. Hotel agrees to the following pass-through terms required by FreedomPay:

1. WARRANTIES

1.1. Hotel shall be responsible for procuring and maintaining, at its sole cost, all hardware, software and data communication and connectivity required to connect to the System. Delivery of PCI-Validated Point-to-Point Encryption Secure Switching is subject to Hotel's compliance with the PIM and Hotel's acknowledgement thereof in the form set forth on Attachment 3. In the event Hotel does not comply with any obligation under the PIM, IHG may, but shall not be obligated, to perform any such obligation or otherwise mitigate such non-compliance, in which event IHG may charge Hotel reasonable fees to compensate IHG therefor, including, without limitation, IHG's then current list price for the applicable services. Further, a failure to comply with the PIM or the requirements of Section 3 below will result in the disallowance of the benefits to Hotel described in the PIM.

1.2. FreedomPay makes no representations or warranties, express or implied, as to any third-party services that FreedomPay enables or provides, including but not limited to fraud protection, 3-D Secure, DCC, loyalty or discount programs and/or any other ancillary services enabled or provided by FreedomPay in the future.

1.3. Hotel understands that the services are designed and provided for the sole purpose of facilitating the sale of Hotel's products and services and that FreedomPay is not responsible for the quality or quantity or other aspects of Hotel's products and services or those of any third party not under FreedomPay's control.

1.4. Hotel shall be responsible for procuring from its acquiring bank any necessary PIN keys and KSNs needed to allow pin-debit payment card transactions.

1.5. Hotel agrees that FreedomPay shall have no liability or obligation to Hotel for any transactions not submitted or reported to FreedomPay for settlement within sixty (60) days after the actual date of the transaction. For transactions submitted or reported after such time limit, FreedomPay will attempt to settle such transactions if the data is available, but FreedomPay will have no liability to Hotel if it is unable to settle such transactions.

1.6. FreedomPay may implement a hosted update on the FreedomPay system at such time as it determines, and (b) Hotel shall have the flexibility to commence implementing non-hosted updates according to IHG's schedule, which implementation shall be commenced no later than twelve (12) months after notice from FreedomPay and completed no later than twenty-four (24) months after such notice, unless such non-hosted update is required by law, network requirements or PCI requirements, or other applicable authority, in such case Hotel shall implement such non-hosted update in accordance with the date required in such law or requirement. If Hotel fails to implement any non-hosted update when required as set forth herein, FreedomPay reserves the right to terminate operational support for the prior release (even if Hotel continues to rely on the prior release) and will not be deemed in breach for doing so.

1.7. Unless otherwise agreed in writing by IHG in its reasonable discretion, a FreedomPay update shall not degrade the performance, functioning or operation of the FreedomPay solution and shall not cause the performance, functioning or operation of the Services to fail to meet the requirements of this Participation Agreement; provided, however, that the foregoing shall not apply to any FreedomPay updates that are required by law, network requirements, PCI requirements, acquirer requirements, or a change introduced by, any governmental authority, any regulatory body, a processor or card brand.

1.8. FreedomPay maintains a status alerting system program to notify Hotel about any FreedomPay system status issues. It is strongly recommended that Hotel enroll at freedompay.statuspage.io in order to access FreedomPay system status alerts.

1.9. Hotel acknowledges and agrees that it shall be solely responsible for obtaining any and all consumer consents needed in connection with the provision of any Service offered by FreedomPay, including third-party services, as required by applicable law.

1.10. FreedomPay's systems require full SKU level data to be transmitted with each transaction, and accordingly, Client must configure its eCommerce system to pass through full SKU level data with each transaction. Failure to

provide such full SKU level data will adversely affect FreedomPay's systems and may result in suspension of Hotel's access to the FreedomPay system, unless Client remedies such failure within thirty (30) days.

1.11. Prohibition on Use of Production Data (live PANs) in Testing. PCI rules prohibit the use of production data (i.e., live PANs) in testing and/or development. Accordingly, to the extent applicable, Hotel shall not use any production data in testing or development.

2. LIMITATION OF LIABILITY

2.1. DISCLAIMERS OF LIABILITY FOR CERTAIN ACTIONS. IF ANY OF THE FOLLOWING ACTIONS ARE TAKEN BY OR ON BEHALF OF HOTEL, OR HOTEL REQUESTS THAT FREEDOMPAY TAKE ANY OF THE FOLLOWING ACTIONS ON BEHALF OF HOTEL, CERTAIN NEGATIVE CONSEQUENCES WILL FOLLOW AND FREEDOMPAY'S LIABILITY WILL BE FURTHER LIMITED, ALL AS DESCRIBED BELOW:

2.1.1. OFFLINE MODE DISABLEMENT DISCLAIMER. IF OFFLINE MODE IS DISABLED, INTERNAL NETWORKING ISSUES IN HOTEL'S SYSTEMS WILL MAKE SUCH SYSTEMS UNABLE TO ACCEPT CREDIT CARD TRANSACTIONS. FURTHER, IF FREEDOMPAY'S GATEWAY IS OFF-LINE OR OTHERWISE UNAVAILABLE, HOTEL WILL NOT BE ABLE TO ACCEPT CREDIT CARD TRANSACTIONS AT ALL (I.E., IN OFF-LINE MODE). FREEDOMPAY IS NOT RESPONSIBLE FOR FREEDOMPAY'S SYSTEMS DOWNTIME RESULTING FROM OFFLINE MODE BEING DISABLED, OR FOR ISSUES THAT ARE CAUSED BY HOTEL'S INTERNAL NETWORK OR SYSTEMS, CAUSING SUCH SYSTEMS TO GO OFFLINE, AND FREEDOMPAY'S SERVICE LEVELS WILL BE DEEMED NOT IMPACTED IN ANY WAY BY SUCH DOWNTIME. FOR CLARITY, IF OFFLINE MODE IS DISABLED, HOTEL WILL NOT BE ELIGIBLE FOR ANY REFUNDS OF FEES, AND FREEDOMPAY'S WARRANTIES ARE VOIDED.

2.1.2. CVV DISABLEMENT DISCLAIMER IF PROMPTING FOR THE CVV IS DISABLED (FOR MANUAL TRANSACTIONS ONLY), HOTEL ACKNOWLEDGES AND AGREES THAT ANY INTERCHANGE DOWNGRADES RESULTING FROM SUCH CVV DISABLEMENT, AND ANY LIABILITY FOR INCREASED INTERCHANGE CHARGES AND MERCHANT SERVICES CHARGES RESULTING FROM SUCH CVV DISABLEMENT ARE THE SOLE OBLIGATION OF HOTEL, AND FREEDOMPAY SHALL HAVE NO LIABILITY TO HOTEL FOR SUCH CHARGES.

2.1.3. PIN KEY DISCLAIMER. IF EITHER (a) HOTEL IS UNABLE TO OBTAIN THE PROPER KSN FROM THEIR ACQUIRING BANKS FOR ITS PIN KEY OR 2) FREEDOMPAY'S KEY INJECTION VENDOR DOES NOT HAVE THAT PIN KEY WITHIN ITS SYSTEM AND IT CANNOT BE OBTAINED PRIOR TO IMPLEMENTATION, ANY CONSUMER WHO PRESENTS A CHIP AND PIN CARD WILL BE REQUIRED TO UTILIZE CHIP AND SIGNATURE INSTEAD. CHIP AND SIGNATURE AND CHIP AND PIN ARE KNOWN AS "CARD VERIFICATION METHODS," OR CVMS. EACH ISSUED CREDIT CARD HAS A PREFERRED CVM. IF THAT PREFERRED CVM IS NOT USED, THAT SPECIFIC TRANSACTION FALLS UNDER THE EMV LIABILITY SHIFT, MEANING IF THAT CONSUMER DISPUTES THE TRANSACTION THEN HOTEL MAY BE LIABLE FOR FRAUD OR CHARGEBACKS, EVEN THOUGH IT WAS AN EMV TRANSACTION. FREEDOMPAY IS NOT LIABLE FOR ANY FRAUD OR CHARGEBACKS TO HOTEL IF A PIN KEY IS BE AVAILABLE FOR HOTEL'S IMPLEMENTATION.

2.1.4. CVM DISABLEMENT DISCLAIMER. HOTEL HEREBY ACKNOWLEDGES THAT IT HAS BEEN INFORMED AND FULLY UNDERSTANDS THAT ANY DISABLEMENT OF THE PREFERRED CVM REQUIREMENTS FOR CHIP CARDS; OR OTHER SUPPRESSING OF PREFERRED CVM REQUIREMENTS, IS AT HOTEL'S SOLE RISK AND FREEDOMPAY SHALL HAVE NO LIABILITY TO HOTEL OR ANY THIRD PARTY FOR FRAUD CLAIMS OR CHARGEBACKS; A FRAUD CLAIM WILL RESULT IN A LOST CHARGEBACK TO HOTEL DESPITE THE IMPLEMENTATION OF EMV BY FREEDOMPAY IN HOTEL'S SYSTEM, AND THAT AS SUCH, HOTEL ASSUMES ALL RISK THAT DISABLING PREFERRED CVM REQUIREMENTS ENTAILS, INCLUDING LIABILITY FOR THE CHARGEBACKS.

3. INTELLECTUAL PROPERTY RIGHTS

3.1. FreedomPay Technology. Hotel acknowledges that all right, title and interest in and to all patents, copyrights, trade secret, trademark and other intellectual property rights in the goods and services (other than third-party Goods and Third-Party services), together with all modifications, improvements, enhancements, updates, localizations and translations thereof (collectively, "FreedomPay Technology"), are, and at all times will remain, the sole and exclusive property of FreedomPay, the provider of the Secure Switching service. Nothing contained in this Participation Agreement may directly or indirectly be construed to assign or grant to Hotel or any third party any license, right, title or interest in or to the FreedomPay Technology except as necessary to use the goods or services or as otherwise expressly provided in this Participation Agreement. The license granted to Hotel to the software embedded in the Products and Secure Switching and granted to Hotel in its agreement with IHG is limited to facilitating the sale of Hotel's products and services and does not include any other rights of any type. FreedomPay owns all Remaining Rights. "Remaining Rights" means, except for the limited license granted to Hotel, all other rights in the software, including but not limited to, improvements, modifications, alterations, additions and deletions to any trademark, logo, copyright or other notices, legends, symbols, labels, displays, sounds, other media or characteristics on or in the FreedomPay Technology on the Products.

3.2. Restrictions. Hotel will only use the goods and services for its own business purposes and will not license, sell, resell, rent, lease, transfer, distribute or otherwise commercially exploit or make the goods and services available to any third party for any purpose or in any manner not authorized by IHG or FreedomPay. Hotel may not disassemble, decompile or reverse engineer any FreedomPay technology and shall not permit or enable any third party to do so. Hotel will use commercially reasonable efforts to prevent unauthorized access to or use of the goods or services and will notify FreedomPay immediately if it becomes aware of any unauthorized access to or use of the goods or services by any person and hereby permits IHG and FreedomPay to monitor the use of the goods and services by Hotel to confirm Hotel's compliance with this Participation Agreement and to assess the quality of the goods and services. Hotel agrees to comply with all applicable laws and regulations in using the goods and services, will not use the goods or services for any unlawful purpose, and will not engage in any activity that interferes with or disrupts the services.

3.3. Force Majeure. Except as otherwise provided herein, neither Hotel, IHG, nor FreedomPay is liable for failing to fulfill its obligations (except for payment obligations) due to acts of God, acts of war, failure of utility or communications infrastructure, or other causes beyond the non-performing party's reasonable control. FreedomPay will not be liable for failing to fulfill its obligations if it is prohibited from doing so by any security or other measures, imposed by Hotel, restricting access to any equipment.

ATTACHMENT 2
Security, Availability, and Confidentiality Statement

Overview
FreedomPay's commerce platform is designed to deliver transaction services to each of our customers. The FreedomPay infrastructure is physically located on servers in a dedicated or locked caged at one of the many data centers in the FreedomPay network. These data centers provide power, network and carrier services. FreedomPay owns, operates and is responsible for provisioning, monitoring, and managing the infrastructure, for providing support to FreedomPay customers.

Data Storage
Our platform was designed and optimized by us specifically to host transaction services and related applications and has multiple levels of redundancy built in. The applications and services themselves run on separate hardware nodes on which the data is stored. Application data that is collected is stored on separate storage devices with encryption employed for sensitive information.

Facilities
Access to the data centers is limited to authorized personnel only, as verified by identity verification measures. Physical security measures include: on-premises security guards, closed circuit video monitoring, and additional intrusion protection measures. Within the data centers, all equipment is stored securely with multiple security layers.

People and Access
Our support team maintains an account on all systems and applications for the purposes of maintenance and support. This support team accesses hosted applications and data only for purposes of application health monitoring and performing system or application maintenance, and upon customer request via our support system. Within FreedomPay, only authorized FreedomPay employees have access to application data. Authentication is done by only accepting incoming SSH connections from FreedomPay and internal data center IP addresses. Our transaction systems platform is designed to allow application data to be accessible only with appropriate credentials, such that one customer cannot access another customer's data without explicit knowledge of that other customer's login information. Customers are responsible for maintaining the security of their own login information.

Third Party Assurance
FreedomPay has successfully completed a SOC 2 Type II audit and has received an "unqualified" opinion from a third party attesting that FreedomPay's controls comply with the Trust Services Principles security, availability, and confidentiality framework issued by the American Institute of Certified Public Accountants (AICPA), and the Canadian Institute of Chartered Accountants (CICA) . FreedomPay's SOC 2 report provides information and independent assurance about our controls that affect the security, availability, and the confidentiality of the information processed by the systems that drive our products. The SOC 2 Type 2 report is the most stringent SOC type and includes a detailed description of our system; the evaluation criteria applicable to the principle(s) being reported on; our controls designed to meet these criteria; a written assertion by our management regarding the description and the design and operation of the controls; and the service auditor's opinion on whether the description is fairly presented and the controls are suitability designed and operating effectively. The report also includes the service auditor's description of tests performed and results of the tests.

Service Provider Obligations
FreedomPay is responsible for the merchant cardholder data that it possesses, processes, stores, or transmits on behalf of the customer, and will maintain compliance with all applicable PCI DSS requirements. Customers and clients are still responsible for the components of PCI compliance related to their location and related systems. Further, FreedomPay transmits cardholder and other sensitive authentication data to the customer's credit card processing provider to process transactions through the card networks. Customers are requested to notify us in the event that they experience issues that may affect the security, availability or confidentiality of the FreedomPay services they are utilizing.

ATTACHMENT 3
PIM Acknowledgement

ACKNOWLEDGMENT

The undersigned merchant hereby acknowledges that it has received, read and understood the FreedomPay P2PE Instruction Manual (PIM) and further acknowledges that continuing compliance with the FreedomPay PIM is a PCI requirement for SAQ P2PE-HW merchant scope reduction qualification. Capitalized terms in this Acknowledgment have the meanings set forth in the PIM.

Merchant acknowledges that: the PIM is provided solely for informational purposes and use as a program implementation guideline for PCI DSS scope reduction; the PIM is based on PCI P2PE and/or DSS guidelines in effect as of the date of this manual; nothing in the PIM is or may be construed as a representation or warranty of any nature whatsoever; that Freedom Pay, Inc. disclaims liability for any errors or omissions in the PIM; FreedomPay does not validate or warrant merchant compliance with PCI DSS or merchant eligibility for any validation or other accreditation standards; review or approval by FreedomPay of merchant systems or processes does not constitute a representation or warranty by FreedomPay of merchant system effectiveness or suitability and shall not be deemed to transfer risk or liability to FreedomPay; the use of any POI device other than a FreedomPay-approved POI device is at merchant's sole risk; FreedomPay has no duty to inspect data transmitted by merchant for unencrypted cardholder data introduced by the use of POI devices not supplied by FreedomPay; data processing by FreedomPay does not constitute a warranty that merchant is within the scope of the FreedomPay P2PE Solution; and that FreedomPay makes no warranties, express or implied, including warranties of merchantability or fitness for a particular purpose or otherwise.

ACKNOWLEDGED

Merchant: _____

By: _____

Name: _____

Title: _____

Date: _____

MPA ADDENDUM FOR NEW PROPERTIES

ADDENDUM TO MERCHANT PROCESSING APPLICATION AND AGREEMENT FOR NEW PROPERTIES

This Addendum to Merchant Processing Application and Agreement for New Properties ("**Addendum**") is entered into between FDS Holdings, Inc. ("**First Data**" or "**Processor**"), Bank of America, N.A. ("**Bank**") (collectively with First Data, "**Servicers**", "**us**", "**our**" or "**we**"), and the undersigned client ("**Client**", "**you**", or "**your**") as of the date signed by First Data and Client ("**Addendum Effective Date**"). Capitalized terms used but not defined in this Addendum are defined in the Terms and Conditions or elsewhere in the Agreement.

1 Background

1.1 Client has been referred to First Data in connection with a Merchant Services Referral Agreement between First Data and Six Continents Hotels, Inc. ("**IHG**") dated October 16, 2014 (as amended from time-to-time, "**IHG Agreement**") pursuant to which IHG refers hotels and other establishments that are either owned, franchised, or operated by IHG or its Affiliates ("**Service Recipients**") to First Data for payment card processing services and other Services.

1.2 This Addendum, along with the Merchant Processing Application and Agreement ("**Application**"), Fee Schedule attached as Exhibit A ("**Fee Schedule**"), General Terms and Conditions attached as Exhibit B ("**Terms and Conditions**"), the Your Payments Acceptance Guide, and any other Schedules or other Contract Documents, as modified from time to time, collectively are the "**Agreement**" for Client's receipt of the Services.

1.3 This Addendum is part of the Agreement and modifies the Agreement, but does not affect the IHG Agreement.

2 Fee Schedule

The Fee Schedule set forth in Section 7 of your Application is deleted in its entirety and replaced with the Fee Schedule attached as Exhibit A. For avoidance of doubt, in addition to the amounts set forth in the Fee Schedule, you are responsible for all amounts set forth or described in the Terms and Conditions or elsewhere in the Agreement.

3 General Terms and Conditions

The Terms and Conditions, attached as Exhibit B, govern our relationship with you. The Terms and Conditions impact your and our legal rights and responsibilities; please read them carefully.

4 Relationship to IHG

4.1 The Agreement is an independent agreement between First Data, Bank, and Client, separate and distinct from (and not an amendment to) the IHG Agreement.

4.2 Servicers acknowledge and agree that: (a) Client is solely liable for its obligations and liabilities under the Agreement; (b) Client does not have any liability or obligation on behalf of any other Service Recipient or IHG; and (c) IHG does not have any liability whatsoever (and is not deemed to assume any liability) to Servicers or any Third Party, directly or indirectly, for Client's acts, omissions, performance, or nonperformance under the Agreement.

4.3 Client acknowledges and agrees that First Data may disclose the Agreement and all personal information of Client collected under the Agreement to IHG. Information disclosed may include Client's name, services

purchased, monthly or annual usage, total billings, payment status, Transaction Data, and any other information Servicers may disclose under the Agreement or that is related to the Services.

5 Entire Agreement

This Addendum, together with the Application, the Fee Schedule, the Terms and Conditions, the Your Payments Acceptance Guide, and any other Schedules or other Contract Documents, as modified from time to time, collectively are the entire Agreement between the parties for the Services; together, they supersede and replace any other agreements between the parties for the Services.

[Signature Page Follows]

AGREED AND EXECUTED:

No alterations or changes to the Agreement will be accepted; any alterations or changes made are null and void and have no force or effect. Processor's and Bank's signatures are effective as of the date Client signs this Addendum.

[Insert Client Name]
("Client")

By: _____
Name: _____
Title: _____
Date: _____

FDS Holdings, Inc.
("Processor")

By: _____
Name: _____
Title: _____

Bank of America, N.A.
("Bank")
By FDS Holdings, Inc.
pursuant to a Limited Power of Attorney

By: _____
Name: _____
Title: _____

EXHIBIT A
FEE SCHEDULE

1 Servicers Fees

Client will pay First Data the fees described below for the Services ("**Servicers Fees**"). Servicers Fees are based on the Client's business methods and the types of transactions it will submit for processing that the Client disclosed to First Data. First Data may modify the Servicers Fees if the Client materially changes its business methods or the types of transactions that it submits for processing.

Servicers Fees	Amount	Driver
Authorization (Visa, Mastercard, Discover, DNP Card Types, American Express, and Debit Cards)	$0.013[1]	per Authorization attempt
Transaction (Visa, Mastercard, Discover, DNP Card Types, American Express, and Debit Cards)[2]	$0.065[3]	per transaction
Authorization (Voice)[4]	$0.95	per call
Chargeback	Waived	per chargeback
ACH Deposit	Waived	per deposit
ACH Reject	$25.00	per rejection
Additional Authorization Fee for Dial Transactions	$0.005	per Authorization attempt via dial
Custom Development Fee	$200	per hour of development / coding

[1] This Authorization Fee may be reduced to $0.01 based upon terms in the IHG Agreement. Any reduction in this Authorization Fee does not give rise to a termination right under the Agreement.

[2] This amount is charged for each transaction. Please note that neither Bank nor Processor settles American Express transactions. Depending on your structure for accepting Discover Cards and other DNP Card Types, either Processor or Discover (but not Bank) settles your Discover and DNP Card Type transactions.

[3] Pursuant to the IHG Agreement, of the $0.065 Transaction Fee paid to Servicers for a transaction, $0.060 of such Transaction Fee is paid to IHG as the IHG Security Fee.

[4] This fee is in addition to the applicable Authorization Fee and the applicable Transaction Fee.

2 Third Party Based Fees

Client will pay Processor all fees, fines, assessments, penalties, obligations, liabilities, adjustments, and other charges and amounts a Card Organization, Issuer, or other Third Party imposes, establishes, or sets that are related to Client's transactions, and all related costs and expenses ("**Third Party Based Fees**"). Card Organizations and other Third Parties may modify their Third Party Based Fees during the Term of the Agreement. Modifications to Third Party Based Fees will be effective on the dates set by the Card Organizations or other third parties.

Third Party Based Fees are in addition to the Servicers Fees and include, without limitation, the following:

Interchange (including any amounts associated with downgraded transactions)

Chargebacks (you are responsible for all transactions, or portions of transactions, that are charged back and all related amounts)

Excessive Chargebacks

Dues and Assessments

Access Fees

Debit Network Fees

Card Organization Pass Through Fees

Other Fees and Amounts (including Data Compromise Losses and other amounts arising from a Compromised Data Event)

[End of Exhibit A – Fee Schedule]

EXHIBIT B
GENERAL TERMS AND CONDITIONS

GENERAL TERMS AND CONDITIONS

1 Overview Of Agreement

1.1 These General Terms and Conditions Contain Important Information and Affect Your Legal Rights. Please read these General Terms and Conditions ("**Terms and Conditions**") carefully. They contain important information and affect your and our legal rights and responsibilities. Capitalized terms are defined in Section 20 or elsewhere in these Terms and Conditions.

1.2 Our Agreement. Our agreement with you for the Services consists of: (a) your Application; (b) your MPA Addendum; (c) these Terms and Conditions; (d) the Your Payments Acceptance Guide; (e) the Fee Schedule any other Schedules (including Interchange Rate Schedules); and (f) any addenda, amendments, supplements, or Schedules to the foregoing, as each is modified and supplemented from time to time (each a "**Contract Document**" and collectively the "**Agreement**"). The Agreement governs your use of the Services. By signing the Application, you acknowledge and agree that you have read, and that you are bound by, the Agreement. No alterations to the Agreement will be accepted and, if made, any such alterations shall not apply.

1.3 Cards and Card Organizations. Cards present risks of loss and non-payment that are different than those with other payment systems, including risks related to Chargebacks and other Cardholder disputes. In deciding to accept Cards, you should be aware that you are also accepting these risks and that you are agreeing to comply with the rules and requirements of Visa®, Mastercard®, Discover®, American Express®, and other Card Organizations. With respect to Chargebacks – we do not decide which transactions are charged back and we do not control the ultimate resolution of Chargebacks. While we can attempt to reverse a Chargeback to the Issuer, we can only do so only if the Issuer agrees to accept it or the Card Organization requires the Issuer to do so after a formal appeal process. Sometimes, your customer may be able to successfully chargeback a Card transaction even though you have provided your goods or services and otherwise are legally entitled to payment from your customer. While you still may be able to pursue claims directly against that customer, neither we nor the Issuer will be responsible for such transactions. You are responsible for all Chargebacks and adjustments associated with the transactions that you submit for processing.

1.4 Card Types. Your Agreement indicates the types of payments you are enabled to accept. Depending on the equipment you are using to accept Card transactions, you may not be able to accept Debit Cards through use of a PIN.

1.5 Bank Responsibilities; Non-Bank Services. Notwithstanding anything in the Agreement to the contrary, Bank only provides, and its obligations and liability are limited to, sponsorship, settlement, and related Bank services for certain Card transactions, which do not include Non-Bank Card transactions or Non-Bank Services. Bank is not responsible for, and has no liability to you in any way with respect to, Non-Bank Card transactions or Non-Bank Services. See Section 16.1 for additional details.

2 Services And Third Party Services

2.1 The Services. The term "**Services**" means the activities we undertake to authorize, process, and settle Card transactions undertaken by Cardholders at your Locations, and all other equipment, products, and services we provide under the Agreement. Subject to Card Organization Rules, Services may be performed by Servicers, only Processor, our Affiliates, our agents, or our service providers. You may use the Services only for your own proper business purposes and only in accordance with the Agreement. You may not use the Services for personal, household, or non-commercial purposes.

2.2 Exclusivity. During the term of the Agreement, you will use us as your exclusive provider of all Services within the United States of America except with respect to POS terminal transactions initiated at parking, spa, gift shop, restaurant, bars, and lounge locations.

2.3 Service Records. We will retain legible copies of all transaction records in accordance with Applicable Law and Card Organization Rules. You must provide all Sales Drafts, Credit Drafts, and other transaction records requested by us within the time limits established by Card Organization Rules. We will provide all transaction records requested by you, to the extent such requests are reasonable, within the time limits established by Card Organization Rules.

2.4 Restrictions on Your Use of the Services. You shall not, and you shall not permit any Third Party to, do or attempt to do any of the following:

(a) Sell, distribute, lease, license, sublicense, assign, or otherwise transfer or disseminate any part of the Services, Software, or Intellectual Property, or otherwise permit any Third Party to access or use the Services, Software, or Intellectual Property.

(b) Copy, modify, enhance, translate, supplement, derive source code or create derivative works from, reverse engineer, decompile, disassemble, or otherwise reduce to human-readable form or attempt to reconstruct the Services, Software, or Intellectual Property (or any portion thereof or underlying ideas thereof).

(c) Use altered versions of the Services, Software, Intellectual Property, or any portion thereof; or use, operate, or combine any Services, Software, or Intellectual Property with other products, materials, or services in a manner

inconsistent with the Agreement.

(d) Use the Services, Software, or Intellectual Property, or any portion thereof, as a standalone or non-integrated program or in any other manner not contemplated by the Agreement.

(e) Perform or attempt to perform any actions that would interfere with the proper working of the Services, prevent access to or use of the Services by other users, or, in our reasonable judgment, impose an unreasonably large or disproportional load on any platform or infrastructure that is used in connection with providing the Services.

(f) Remove, modify, or relocate any copyright notice or other legend(s) denoting our or any Third Party's proprietary interests in the Services, Software, Documentation, or any other Intellectual Property.

(g) Access or attempt to access Services, Software, or other Intellectual Property (or any portion thereof) that we do not make available for your use pursuant to the Agreement.

(h) In connection with your use of the Services, award any prizes or offer any incentives that would invoke state or federal regulations governing online gambling, online lottery, lottery, sweepstakes, or contests of chance.

2.5 You Are Responsible for Your Merchant Account and Merchant Systems. You are exclusively responsible for: (a) all activity and transactions (including fraudulent activity and fraudulent transactions) that occur in connection with your Merchant Account or through your Merchant Systems, regardless of whether such activity and transactions are undertaken by authorized personnel, unauthorized personnel, Merchant Providers, or other Third Parties; (b) ensuring that the Merchant Account and Merchant Systems, including any point-of-sale equipment, terminals, and gateways, are used in accordance with the Agreement and are secure; and (c) implementing appropriate controls to prevent your authorized personnel, your unauthorized personnel, and Third Parties from submitting credits, voids, and other transactions that are not bona fide transactions. For avoidance of doubt, you are exclusively responsible and liable for: (x) all transactions sent to us for processing through your Merchant Account or Merchant Systems (including fraudulent transactions); (y) all use of the Services; and (z) all related Servicers Fees, Third Party Based Fees, Chargebacks, and other amounts, whether arising from bona fide, unauthorized, or fraudulent activities or transactions.

2.6 Group Members.

(a) **Group Owner Benefits.** We may provide you the Group Owner Benefits. Without prior notice to you, we may stop providing you the Group Owner Benefits if you cease being a Group Member, if the Group Owner Agreement is not in effect, or at the Group Owner's request.

(b) **Providing Information about You to the Group Owner and Third Parties.** Subject to Card Organization Rules and Applicable Law, we may: (i) provide the Group Owner information we obtain about you, including information related to your business, owners, management, Card transactions (including Transaction Data), MID(s), and Merchant Account or related to the Services; and (ii) provide any such information to any Third Party at the Group Owner's request. You consent to our providing all such information to the Group Owner and to Third Parties, all of which may use such information for any lawful purpose.

(c) **New Group Owner Benefits.** From time to time, the Group Owner and we may modify the Group Owner Agreement and the Group Owner Benefits in order to provide Group Members, including you, with new products or services ("**New Group Owner Benefits**") as part of the Group Owner program. You authorize us to modify the Services provided to you under the Agreement, and related fees and Agreement terms, upon notice to you, to the extent necessary to provide you any New Group Owner Benefits, and any such modifications shall not give rise to any termination right under Section 6.2 or under Section 19.7.

(d) **Following Group Owner's Instructions.** From time to time, the Group Owner may ask or instruct us to provide the Services in a certain manner, in connection with certain communications, as part of a certain program, or as the Group Owner otherwise specifies ("**Group Owner Instructions**"). For example, Group Owner Instructions may ask us to follow certain Debit Card routing instructions or instruct us to set up Services in a certain manner. You consent to our providing you the Services in accordance with the Group Owner Instructions and you waive all claims you may have against us, and related losses, arising from our following the Group Owner Instructions.

(e) **Remitting Fees to Group Owner.** Depending on our and your relationship with the Group Owner, certain fees that are assessed and collected pursuant to the Agreement may be assessed and collected on behalf of the Group Owner and remitted to the Group Owner. You authorize us to assess, collect, and remit to the Group Owner such fees.

(f) **Waiver of Liability.** We are not responsible for determining whether you are a Group Member. We shall not have any liability to you in connection with any of our acts and omissions under this Section 2.6, regardless of whether you are or are not a Group Member. You waive all claims, suits, and causes of action against us, and all related losses, related to our acts and omissions under this Section 2.6.

2.7 Third Party Services. Third Party Services are not governed by the Agreement. We are not responsible for Third Party Services or for any provider of Third Party Services, even if we recommended them to you. With respect to Third Party Services, you are solely and exclusively responsible for: (a) determining whether Third Party Services can meet your needs

and requirements; (b) reviewing, understanding, and complying with all terms and conditions for Third Party Services; (c) all fees, charges, and other amounts arising from Third Party Services, including any amounts you owe to Third Parties and any amounts that Third Parties owe to us or Card Organizations; (d) the integration and interaction between Third Party Services and our Services; (e) all acts and omissions of providers of Third Party Services; and (f) all other obligations and risks related to Third Party Services. If you download, access, or obtain any content through Third Party Services, you do so at your own risk. Providers of Third Party Services may have their own websites; we have no liability for such websites and any privacy policy we may have is not in effect when you visit such websites.

2.8 Integration of Third Party Services. You are solely responsible for obtaining any programming, technical support, and services needed for your systems to function with our systems, and for all related agreements, fees, and costs. This may include obtaining hardware, software, and internet data access from a Third Party. If a Service relies on online connectivity, you assume all risk, responsibility, and liability associated with transactions that you conduct while the Service is offline.

3 Card Organization Rules, Applicable Law, Your Payments Acceptance Guide, And Conflicts

3.1 Card Organization Rules. You must comply with the Card Organization Rules, including the Payment Card Industry Data Security Standard ("**PCI DSS**"), applicable to the Card types you accept. You are responsible for staying up to date with all changes to Card Organization Rules and maintaining compliance with Card Organization Rules. Card Organization Rules may be available on websites such as https://usa.visa.com, http://www.mastercard.com/us/merchant/support/rules.html, www.discovernetwork.com/en-us, and www.americanexpress.com/merchantopguide, as links and their content may change from time to time.

3.2 Applicable Law. Each party is responsible for determining all Applicable Law that is applicable to it and for complying with all such Applicable Law in connection with the Agreement.

3.3 Your Payments Acceptance Guide. You agree to comply with the Your Payments Acceptance Guide, as it may change over time ("**Your Payments Acceptance Guide**"). The current Your Payments Acceptance Guide is available at www.businesstrack.com. To the extent of any inconsistencies between these Terms and Conditions and the Your Payments Acceptance Guide, these Terms and Conditions will govern.

3.4 Conflicts. For the avoidance of doubt, your use of the Services, the transactions you process, and all of your acts and omissions must comply with the Agreement, Applicable Law, and Card Organization Rules (including PCI DSS). If there is a conflict between Applicable Law, Card Organization Rules, and the Agreement, the conflict shall be governed in the following order of precedence: (1) Applicable Law; (2) Card Organization Rules; and (3) the Agreement.

4 Data Security and Third Parties Used by Client

The following is important information regarding the protection of Cardholder data. Please review carefully as failure to comply can result in substantial liabilities and termination of the Agreement.

4.1 Payment Card Industry Data Security Standard.

(a) **You Must Comply with PCI DSS.** As part of your obligation to comply with Card Organization Rules, you are required to comply with PCI DSS. PCI DSS compliance is focused on Merchant Systems where Cardholder data can be accessed, processed, stored, or transmitted, including external connections into your network, connections to and from the authorization and settlement environment (e.g., connections for employee access or for devices such as firewalls and routers), and data repositories outside of the authorization and settlement environment. Information about PCI DSS can be found at www.pcisecuritystandards.org. You also are solely responsible for ensuring that all Merchant Providers, Merchant Systems, Third Parties, Third Party Services, equipment, and software that you use in connection with Card transactions comply with Card Organization Rules, including PCI DSS.

(b) **Non-Compliance.** The Card Organizations or we may impose fines or penalties, or restrict you from accepting Cards, if it is determined that you are not compliant with the applicable data security requirements. Subject to Section 4.3, we may in our sole reasonable discretion suspend certain or all Services under the Agreement if we reasonably believe in good faith and based on evidence that an actual or suspected data security compromise has occurred, provided that we will use reasonable efforts to provide you advance written notice of such suspension, unless such notice is prohibited by Applicable Law or Card Organizations Rules. We will use commercially reasonable efforts to implement a workaround that allows you to continue receiving Card processing services from us during the suspension and we will remove the suspension and restore Services promptly after the threat has been resolved. If we reasonably believe in good faith and based on evidence that actual data security compromise has occurred which creates liability exposure for us, we may terminate the Agreement upon written notice to you.

(c) **We Must Comply with PCI DSS.** We, and the systems and service providers we use, also must comply with PCI DSS and any additional Card Organization Rules applicable to our Services.

4.2 Compliance Audits. Each party may be subject to ongoing validation of its compliance with PCI DSS standards. Furthermore, if we suspect a breach of your compliance obligations under the Agreement, we retain the right to conduct an audit at your expense, performed by us or a Third Party designated by us to verify your compliance, or that of your

agents or Merchant Providers.

4.3 Immediate Notice Required. If Transaction Data is known or suspected of having been accessed or retrieved by any unauthorized Third Party, you must contact us immediately and in no event more than 24 hours after becoming aware of such activity. If we become aware of any unauthorized access to the Transaction Data, we will contact you promptly after becoming aware of such activity, unless otherwise prohibited by Applicable Law or Card Organizations Rules.

4.4 Your Compromised Data Event. If a Compromised Data Event (as defined in Section 4.8) occurs or is suspected to have occurred, you must, at your own expense: (a) perform or cause to be performed an independent investigation, including a forensics analysis performed by a certified forensic vendor acceptable to us and the Card Organizations in accordance with Card Organization standards, of any data security breach of Cardholder data or Transaction Data; (b) provide a copy of the certified forensic vendor's final report regarding the incident to us and the Card Organizations; (c) perform or cause to be performed any remedial actions recommended by any such investigation; and (d) cooperate with us in the investigation and resolution of any security breach. Notwithstanding the foregoing, if required by a Card Organization, we will engage a forensic vendor approved by a Card Organization at your expense. You must cooperate with the forensic vendor so that it may immediately conduct an examination of your equipment and other Merchant Systems, and your and Merchant Providers' procedures and records, and so that it may issue a written report of its findings.

4.5 Our Data Security Event. If we are determined by a Card Organization to have breached our data security obligations under Applicable Law or the Card Organization Rules, resulting solely from our independent acts or omissions which results in the actual, unauthorized disclosure of personally identifiable consumer information, including but not limited to Cardholder data that is submitted to us by you hereunder, (a "**Data Security Event"**), we will be responsible for performing each of the actions set forth in subparts (a) and (c) of Section 4.4.

4.6 Merchant Providers.

(a) **Data Security Requirements Apply to Merchant Providers.** The data security standards set forth in this Section 4 also apply to Merchant Providers. Before you engage any Merchant Provider, you must provide to us in writing the Merchant Provider's legal name, contact information, and intended function. You acknowledge and agree that you will not use, or provide Cardholder data access to, any Merchant Provider until you receive our approval (which approval shall not be unreasonably withheld) and, if required, confirmation of our registration of that Merchant Provider with applicable Card Organizations.

(b) **Merchant Provider Compliance.** You must ensure that you and Merchant Providers: (i) comply with the registration process which can involve site inspections, background investigations, provision of financial statements, and any other information required by us or a Card Organization; (ii) comply with the periodic and other reporting required by a Card Organization; and (iii) comply with all applicable Card Organization Rules, including without limitation, those requiring security of Cardholder data. You may allow Merchant Providers access to Cardholder data only for purposes authorized under and in conformance with the Card Organization Rules. You are responsible for all our costs and expenses associated with our review, approval, certification (and recertification as may be required by us or the Card Organization Rules) and registration of any Merchant Providers.

4.7 Data Security Measures; Fraud. Security features such as CAPTCHA, velocity filters, the Address Verification Service, and requiring a Card Verification Code for Card Not Present Transactions can help combat fraud. Using AVS when submitting Authorization requests for Card Not Present Transactions can help you identify potentially fraudulent transactions and can help lower Card Organization interchange rates, but it does not guarantee a transaction is valid and the AVS response does not impact whether an Authorization request is approved or denied. We may charge you an AVS fee for any AVS request you submit, even if we are not able to provide a response to the request. You are responsible for all Chargebacks, Third Party Based Fees, Servicers Fees, and other amounts arising from fraudulent activity processed through your Merchant Systems and/or your Merchant Account (regardless of any AVS response that you receive).

4.8 Costs. If you or a Merchant Provider (or other Third Party used by you) are determined by any Card Organization, regardless of any forensic analysis or report, to be the likely source of any loss, disclosure, theft or compromise of Cardholder data or Card transaction information or are determined to have caused Cardholder data to be put at risk (together, "**Compromised Data Events**") and regardless of your belief that you have complied with the Card Organization Rules or any other security precautions and are not responsible for the Compromised Data Event, you must promptly pay us for all related expenses, claims, assessments, fines, losses, costs, penalties, and Issuer reimbursements imposed by the Card Organizations against us (together, "**Data Compromise Losses**"). In addition to the foregoing, you must also pay us promptly for all expenses and claims made by Issuers against us alleging your responsibility for the Compromised Data Event, apart from any claim procedures administered by the Card Organizations. We agree not to pass through to you any amounts imposed upon us by the Card Organizations in connection with our Data Security Event.

5 Settlement

5.1 Settlement Generally. We will be required to settle only Card transactions made using Cards of Card Organizations that (a) we support for full acquiring services and (b) you have elected to accept and we have approved. We will not be

obligated to settle with you for any such Card transaction before we have settled for it with the related Card Organization.

5.2 Net Settlement. Unless otherwise agreed to in writing to the contrary, all Servicers Fees are deducted daily. All settlements to you for your transactions will be net of Credits, adjustments, Servicers Fees, Third Party Based Fees, Chargebacks, and any other amounts then due from you.

5.3 Payments to You Are Provisional. All credits to your Settlement Account or other payments to you are provisional and are subject to, among other things, our right to deduct our fees provided no such amounts are disputed by you in good faith, our final audit, Chargebacks (including our related losses), and Third Party Based Fees (including fees, fines, and any other charges imposed on us by the Card Organizations due to your noncompliance with Card Organizations Rules). You agree that we may debit or credit your Settlement Account for any deficiencies, overages, fees, Servicers Fees, Third Party Based Fees, pending Chargebacks, and any other amounts owed to us or any of our respective Affiliates, or we may deduct such amounts from settlement funds or other amounts due to you from us, or our respective Affiliates for Services provided under the Agreement. Alternatively, we may elect to invoice you for any such amounts, net due 30 days after your receipt of the invoice.

5.4 Good Faith Disputes. Notwithstanding anything to the contrary in the Agreement, if any amounts debited, credited, or otherwise deducted by us are disputed by you in good faith, we will use good faith efforts to work with you to resolve the dispute in a timely manner and promptly return any such disputed amounts that are owed to you.

5.5 Funding Delays. We will not be liable for any delays in receipt of funds or errors in debit and credit entries caused by you or any Third Party, including, without limitation, any delay in settlement funding for a Card transaction from a Card Organization to us.

5.6 Changes in Funding and Suspension of Funding. In addition to any other remedies available to us under the Agreement, you agree that should any Event of Default by Client set forth in Section 12.3 (subject to any available cure periods set forth in Section 12.3) occur, we may, with or without notice, change processing timing or accelerate payment terms and/or suspend credits or other payments of any and all funds, money, and amounts now due or hereafter to become due to you pursuant to the terms of the Agreement, until we have had reasonable opportunity to investigate such event. Notwithstanding the foregoing, we will make reasonable efforts to notify you as promptly as practicably possible of any such change or suspension.

5.7 Settlement Account Information. You acknowledge and agree that transfers to and from the Settlement Account shall be based on the account number and routing number supplied by you. We are not responsible for detecting errors in any Settlement Account information you provide, including the account numbers and routing numbers, even if any of those numbers do not correspond to the actual account or financial institution identified by name.

5.8 Secured Financial Accommodations. The Agreement is a contract whereby we are extending secured financial accommodations to you within the meaning of Section 395(c) of the U.S. bankruptcy code. Your right to receive any amounts due or to become due from us is expressly subject and subordinate to Chargeback, recoupment, setoff, lien, security interest and our rights to withhold settlement funds under the Agreement, without regard to whether such Chargeback, setoff, lien, security interest and the withholding of settlement funds rights are being applied to claims that are liquidated, unliquidated, fixed, contingent, matured or unmatured.

6 Fees; Adjustments; Collection Of Amounts Due

6.1 Your Payment of Fees and Other Amounts.

(a) **Servicers Fees, Card Organization Fees, and Other Third Party Based Fees.** You agree to pay us all Servicers Fees, Third Party Based Fees, Chargebacks, and other amounts arising in connection with the Agreement, including all fees and amounts described in the MPA Addendum, Fee Schedule, Interchange Rate Schedule, Card Organization program pricing schedules, or any other Schedule. For avoidance of doubt, this includes all fees and amounts imposed or established by any Card Organization related to your transactions.

(b) **Errors, Shipping and Handling, Taxes, and Other Amounts.** As part of your obligations, you agree to pay and reimburse us for all funds and deposits erroneously credited to your Settlement Account or Merchant Account, all shipping and handling fees related to Equipment and Supplies, and all Taxes (and you authorize us, or our respective assigns, to increase the amount of any preauthorized payment to reflect any increases in Taxes, and you waive any requirement for notice of such increase). In addition, you are fully liable for any transactions that you accept from a Cardholder that are of a type, including a Card type, that you did not elect for your Merchant Account, and must pay us all related Servicers Fees, Third Party Based Fees, and Chargebacks.

(c) **Sixty Day Limit for Certain Amounts.** The following amounts shall be deemed waived by us if not charged or deducted by us within 60 days of the respective transaction date: (i) reversal of deposit posted to your account in error; (ii) debit for adjustments not previously posted; (iii) reversal of Credit for deposit previously posted; and (iv) debit for Chargeback never posted to your account.

(d) **Authorization Fees and Capture Fees.** All Authorization fees will be charged for each transaction that you

attempt to authorize. All capture fees will be charged for each transaction that you transmit to us for settlement. If you are being billed a combined fee for both the Authorization and capture of a transaction, the Authorization and capture must be submitted as a single transaction, otherwise the Authorization and the capture will each be charged separately. You are responsible for utilizing software or services that will correctly submit these transactions to achieve the combined billing

(e) **Wire Fees.** If you receive settlement funds by wire transfer, we may charge a wire transfer fee per wire.

6.2 Changes to Third Party Based Fees. The fees for Services set forth in the Agreement may be adjusted to reflect increases or new Third Party Based Fees. All such adjustments shall be your responsibility to pay and shall become effective upon the date any such change or addition is implemented by the applicable Card Organization or Third Party as specified in our notice to you.

6.3 ACH Debit and Credit Authorization. To the extent the Automated Clearing House ("**ACH**") settlement process is used to effect debits or credits to your Settlement Account, you agree to be bound by the terms of the operating rules of the National Automated Clearing House Association, as in effect from time to time. You hereby authorize us to initiate credit and debit entries and adjustments to your Settlement Account through the ACH network and/or through direct instructions to the financial institution where your Settlement Account is maintained for amounts due under the Agreement (including any amounts due under this Section 6) and under any agreements with us or our respective Affiliates for any product or services, as well as for any credit entries in error. You hereby authorize the financial institution where your Settlement Account is maintained to effect all such debits and credits to your account. The ACH authorization under this Section 6.3 will remain in effect until (a) you have provided us at least 30 days' prior written notice in accordance with Section 19.3 that you are terminating the authorization, and (b) either (i) all amounts due from you under the Agreement and under any other agreements you have with us or our Affiliates have been paid in full, or (ii) you have provided us an authorization to debit via ACH a replacement Settlement Account that is satisfactory to us in our sole discretion.

6.4 Our Obligations. We agree not to pass through to you any fees, fines, or other charges imposed on us by any Card Organization resulting from our acts or omissions in breach of the Agreement, or as a result of acts or omissions of our agents or other Third Parties engaged by us in connection with the Services.

6.5 Excessive Chargebacks. If your Chargeback percentage for any line of business exceeds the estimated industry Chargeback percentage, you shall, in addition to the Chargeback fees and any applicable Chargeback handling fees or fines, pay us an excessive Chargeback fee for all Chargebacks occurring in such month in such line(s) of business. Each estimated industry Chargeback percentage is subject to change from time to time by us in order to reflect changes in the industry Chargeback percentages reported by Visa, Mastercard or Discover. Your Chargeback percentage will be calculated as the larger of (a) the total Visa, Mastercard and Discover Chargeback items in any line of business in any calendar month divided by the number of Visa, Mastercard and Discover transactions in that line of business submitted that month, or (b) the total dollar amount of Visa, Mastercard and Discover Chargebacks in any line of business received in any calendar month divided by the total dollar amount of your Visa, Mastercard and Discover transactions in that line of business submitted in that month.

6.6 Review of Statements and Notice of Errors. You agree to promptly and carefully review statements or reports provided or made available to you (physically, electronically, or otherwise and whether provided by us or Third Parties on our behalf) reflecting Card transaction activity (including activity in the Merchant Account, Settlement Account, or Reserve Account), and our fees and charges for the Services and other amounts due to or from you. If you believe any discrepancies or errors exist, you must notify us in writing within ninety (90) days after the date of the related statement or reports. If you fail to notify us within such ninety (90) day period of any of such discrepancies or errors of which you are or reasonably should be aware, then we shall not have any obligation to investigate or effect any related adjustments, absent our gross negligence or willful misconduct. Any voluntary efforts by us to assist you in investigating such matters shall not create any obligation to continue such investigation or any future investigation. We may adjust your Merchant Account for good cause after such 90 day period.

6.7 Electronic Communications. With respect to any billing statements, reports, agreements, disclosures, notices, and other communications that you receive from us via electronic means, including via email or the internet ("**Electronic Communications**"), you are responsible for: (a) configuring Merchant Systems so that you can receive, access, and view Electronic Communications, including disabling spam filters and whitelisting domain names and email addresses; (b) the accuracy of, and all activity and communications under, your email addresses and accounts; (c) regularly monitoring and checking Electronic Communications; and (d) regularly monitoring and checking Business Track and any other websites, tools, and databases that contain information related to your Merchant Account. You are solely responsible for any disclosure, interception, or viewing of any Electronic Communication that has been transmitted from our server.

6.8 Test Messages and Automated Technology. You understand and agree that by disclosing your cell phone number, our service providers, American Express, and other Card Organizations may contact you at that number, including through the use of automatic technology or text, in connection with your Merchant Account. Your phone plan charges may apply.

6.9 Additional Information Regarding Interchange. The interchange rate schedule provides the most common interchange rates applicableto your transactions ("**Interchange Rate Schedule**"). Transactions may downgrade, resulting in higher interchange rates. You are responsible for all interchange fees as part of your responsibility for Third Party Based Fees. For more information on Visa's and Mastercard's interchange rates, please go to: www.visa.com/merchants and www.mastercard.us/merchants.

7 Chargebacks

7.1 Chargebacks Generally. You must reimburse us for all transactions you submit that are charged back and all related amounts, including: (a) all Chargebacks; (b) all fees, fines, penalties, assessments, and other amounts related to disputing or arbitrating a Chargeback or failing to produce records within applicable time limits; and (c) all Chargeback Fees set forth on the Fee Schedule or elsewhere in the Agreement, regardless of whether a Chargeback is settled in your favor or the Cardholder's favor.

7.2 Disputing Chargebacks. You may dispute a Chargeback as provided in the Card Organization Rules, including any requirements for timely submission. Our obligation to you respecting Chargeback disputes is limited to presenting your dispute to the appropriate Card Organization, to the limited extent required by Card Organization Rules. We will not engage in direct collection efforts against Cardholders on your behalf. The Your Payments Acceptance Guide contains additional details and requirements related to Chargebacks.

8 Representations; Warranties; Covenants; Limitations On Liability; Exclusion Of Consequential Damages

8.1 Your Representations and Warranties. Without limiting any other warranties hereunder, you represent, warrant to, and covenant with us, and with the submission of each Sales Draft reaffirm that:

(a) each Card transaction is genuine and arises from a bona fide transaction permissible under the Card Organization Rules by the Cardholder directly with you, represents a valid obligation for the amount shown on the Sales Draft, preauthorized order, or Credit Draft, and does not involve the use of a Card for any other purpose;

(b) each Card transaction represents an obligation of the related Cardholder for the amount of the Card transaction;

(c) the amount charged for each Card transaction is not subject to any dispute, set-off or counterclaim;

(d) each Card transaction amount is only for respective merchandise or services (including taxes, but without any surcharge, except as required by Card Organization Rules) sold, leased, or rented by you pursuant to your business as indicated on the Application and, except for any delayed delivery or advance deposit Card transactions expressly authorized by the Agreement, that merchandise or service was actually delivered to or performed for the Cardholder entering into that Card transaction simultaneously upon your accepting and submitting that Card transaction for processing;

(e) with respect to each Card transaction, you have no knowledge or notice of any fact, circumstance, or defense which would indicate that such Card transaction is fraudulent or not authorized by the related Cardholder or which would otherwise impair the validity or collectability of that Cardholder's obligation arising from that Card transaction or relieve that Cardholder from liability with respect thereto;

(f) each Card transaction is made in accordance with these Terms and Conditions, Card Organization Rules, the Your Payments Acceptance Guide, and Applicable Law;

(g) each Sales Draft is free of any alteration not authorized by the related Cardholder;

(h) you have completed one Card transaction per sale;

(i) you are validly existing, in good standing, and free to enter into the Agreement;

(j) each statement made on the Application or other information provided to us in support of the Agreement is true and correct;

(k) you are not doing business under a name or style not previously disclosed to us;

(l) you have not changed the nature of your business, Card acceptance practices, delivery methods, return policies, or types of products or services sold requiring a different MCC under Card Organization Rules, in a way not previously disclosed to us;

(m) you will use the Services only for your own proper business purposes and will not resell, directly or indirectly, any part of the Services to any Third Party (Note: Factoring is prohibited);

(n) you have not filed a bankruptcy petition not previously disclosed to us;

(o) you own and control the Settlement Account, and no third party security interest or lien of any type exists regarding the Settlement Account or any Card transaction;

(p) you will not at any time during the term of the Agreement, or until all amounts due under the Agreement have been paid in full, grant or pledge any security interest or lien in the Reserve Account, Settlement Account, or transaction proceeds to any Third Party without our consent; and

(q) in performing your obligations hereunder, you will use commercially reasonable efforts to make sure that no viruses, spyware, malware, or similar items are introduced into our environment directly or indirectly by acts or omissions of yours or your agents.

8.2 Our Representations and Warranties. Without limiting any other warranties hereunder, we represent, warrant to, and covenant with you, and with the processing of each Sales Draft reaffirm that:

(a) we will perform our obligations hereunder, including the Services, in compliance with the terms of the Agreement, Applicable Laws, and Card Organization Rules in a timely and professional workmanlike manner;

(b) we are validly existing, in good standing, and free to enter into the Agreement;

(c) we have obtained and will continue to maintain the requisite certifications and permits required to perform the Services hereunder; and

(d) in performing our obligations hereunder and providing Services, we will use commercially reasonable efforts to make sure that no viruses, spyware, malware, or similar items are introduced into your environment directly or indirectly by acts or omissions of ours or our agents.

8.3 NO OTHER REPRESENTATIONS OR WARRANTIES. THE AGREEMENT IS A SERVICE AGREEMENT. EXCEPT AS EXPRESSLY SET FORTH IN THE AGREEMENT, EACH PARTY DISCLAIMS ALL REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, MADE TO THE OTHER PARTY OR ANY OTHER THIRD PARTY, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES REGARDING QUALITY, SUITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT OR OTHERWISE OF ANY SERVICES OR ANY GOODS PROVIDED INCIDENTAL TO THE SERVICES PROVIDED UNDER THE AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY SERVICES OR ANY GOODS PROVIDED BY A THIRD PARTY.

8.4 EXCLUSION OF CONSEQUENTIAL DAMAGES. SUBJECT TO SECTION 8.8(b), IN NO EVENT SHALL EITHER PARTY OR ITS AFFILIATES OR ANY OF ITS OR THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR SUBCONTRACTORS BE LIABLE UNDER ANY THEORY OF TORT, CONTRACT, STRICT LIABILITY OR OTHER LEGAL THEORY FOR LOST PROFITS, LOST REVENUES, LOST BUSINESS OPPORTUNITIES, EXEMPLARY, PUNITIVE, SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, EACH OF WHICH IS HEREBY EXCLUDED BY AGREEMENT OF THE PARTIES, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE OR WHETHER ANY PARTY OR ANY THIRD PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES (THE "**DAMAGES EXCLUSION**").

8.5 LIABILITY CAP. NOTWITHSTANDING ANYTHING IN THE AGREEMENT TO THE CONTRARY AND SUBJECT TO SECTION 8.8(a), OUR CUMULATIVE LIABILITY FOR ALL LOSSES, CLAIMS, SUITS, CONTROVERSIES, BREACHES AND DAMAGES FOR ANY CAUSE(S) WHATSOEVER (INCLUDING, BUT NOT LIMITED TO, THOSE ARISING OUT OF OR RELATED TO THE AGREEMENT), REGARDLESS OF THE FORM OF ACTION OR LEGAL THEORY, SHALL NOT EXCEED, (I) $50,000; OR (II) THE AMOUNT OF FEES RECEIVED BY US PURSUANT TO THE AGREEMENT FOR SERVICES PERFORMED IN THE IMMEDIATELY PRECEDING TWELVE (12) MONTHS, WHICHEVER IS LESS ("**LIABILITY CAP**").

8.6 SOLE REMEDY FOR FUNDING DELAY. NOTWITHSTANDING ANYTHING IN THE AGREEMENT TO THE CONTRARY (INCLUDING BUT NOT LIMITED TO SECTION 15), IN THE EVENT OF ANY DELAY IN FUNDING TRANSACTIONS TO YOU FOR ANY REASON, OTHER THAN FOR ANY REASON DESCRIBED IN SECTIONS 5 OR 19.1, OUR SOLE LIABILITY TO YOU WILL BE TO PAY YOU INTEREST COMPUTED FROM THE DATE THAT WE WOULD HAVE FUNDED THE TRANSACTION, AS DESCRIBED IN SECTION 5, TO THE DATE THAT WE ACTUALLY FUND THE TRANSACTION AT THE RATE OF THE LESSER OF THE PER ANNUM RATE EQUAL TO BANK'S THEN CURRENT PRIME RATE PLUS TWO PERCENT (2%), BASED ON A 360 DAY YEAR OR (II) THE MAXIMUM RATE.

8.7 BANK IS NOT LIABLE FOR NON-BANK CARD SERVICES. NOTWITHSTANDING ANYTHING IN THE AGREEMENT TO THE CONTRARY, BANK IS NOT RESPONSIBLE, AND SHALL HAVE NO LIABILITY, TO YOU IN ANY WAY WITH RESPECT TO NON-BANK CARD SERVICES.

8.8 EXCEPTIONS TO LIABILITY CAP AND EXCLUSION OF CONSEQUENTIAL DAMAGES.

(a) **Liability Cap Exceptions.** The Liability Cap set forth in Section 8.5 shall not apply to the following: (i) claims and losses caused by our or our personnel's gross negligence, willful misconduct, or fraud; (ii) our obligations under Section 15.3; (iii) our breach of our obligations with respect to compliance with Applicable Laws or Card Organization Rules under the Agreement (excluding breaches involving our Data Security Event, which are subject to the Liability Cap); or (iv) our breach of our confidentiality obligations under the Agreement not involving personally identifiable consumer information (collectively, (i) through (iv) are the "**Excluded Amounts**").

(b) **Damages Exclusion Exceptions.** The Damages Exclusion set forth in Section 8.4 shall not apply to the following: (i) claims and losses caused by the gross negligence, willful misconduct, or fraud of either party or its personnel; (ii) our obligations under Section 15.3 and your obligations with respect to Excluded Claims; (iii) breaches by either party of its obligations with respect to compliance with Applicable Laws or Card Organization Rules under the Agreement (excluding breaches involving our Data Security Event, which are subject to the Damages Exclusion); or

(iv) breaches by either party of its confidentiality obligations under the Agreement not involving personally identifiable consumer information. For avoidance of doubt, amounts excepted from the Damages Exclusion (y) are not Excluded Amounts, and (z) are subject to the Liability Cap.

9 Confidentiality

9.1 Definition of Confidential Information. The term "**Confidential Information**" means all information of a party and its Affiliates that is not publicly available, including any of their strategic business information and capabilities; financial information; business plans and marketing strategies; pricing of the Services; documentation and portals related to Services; information related to information technology systems and processes; technical specifications; designs; processes and procedures; reports; source code; databases; information used in connection with logging onto, accessing, or using the Services; customer information (not including Cardholder data); the terms of the Agreement; and information that must be maintained as confidential by Applicable Law, and whether in oral, written, graphic, electronic, or other form, including all copies and derivatives thereof.

9.2 Protecting Confidential Information. The party receiving Confidential Information ("**Recipient**") from the other party ("**Discloser**") shall: (a) safeguard the Discloser's Confidential Information using at least a reasonable degree of care; (b) limit access to the Discloser's Confidential Information to the Recipient's employees and service providers who (i) have an obligation of confidentiality to Recipient that is similar to Recipient's confidentiality obligations to Discloser under this Section 9, and (ii) have a need to know the Discloser's Confidential Information in connection with the Agreement; (c) not disclose or use the Discloser's Confidential Information, except as permitted under Section 9.3 or elsewhere in the Agreement; and (d) at the Discloser's request, return to Discloser or destroy all of Discloser's Confidential Information in Recipient's possession or control.

9.3 Permitted Use and Disclosure of Confidential Information. Recipient may disclose the Discloser's Confidential Information: (a) to Third Parties on a need to know basis as it reasonably deems appropriate to analyze, provide, support, improve, receive, or use the Services; (b) to its auditors and attorneys (internal and external) and regulators; (c) as required or permitted by law, regulation, or court order; or (d) to its respective Affiliates as it deems appropriate. In addition, we may disclose your Confidential Information: (x) as permitted under Section 2.6, Section 10.6, or elsewhere in the Agreement; (y) in connection with any customer service and support, whether provided by us or Third Parties, related to your Merchant Account; and (z) to any Card Organizations, which may use and share such information in any lawful manner and for any lawful purpose. Notwithstanding any contrary provisions in documents for any other accounts you have with Bank, you consent to Bank sharing and exchanging with us, our Affiliates, and our agents information about you and such other accounts (including relationship, credit, and confidential information) in connection with the Services and for any other lawful reason.

9.4 Use and Disclosure Exceptions. The obligations set forth in Section 9.2 do not apply to information that: (a) enters the public domain through no fault of the Recipient; (b) was received from a Third Party free of any obligation of confidence and which Third Party, to Recipient's knowledge, was not under an obligation to keep the information confidential; (c) was already in Recipient's possession prior to receipt from Discloser; (d) is required to be disclosed by law, regulation, or court order after giving Discloser as much advance notice as practical of the possibility of disclosure; or (e) is independently developed by Recipient without use of or reference to Discloser's Confidential Information.

9.5 Injunctive Relief. Recipient acknowledges that breach of the restrictions on use or disclosure of Confidential Information could result in immediate and irreparable harm to Discloser, and money damages may be inadequate to compensate for that harm. Discloser shall be entitled to seek equitable relief, in addition to all other available remedies, to redress any such breach.

9.6 Cardholder Data and Transaction Data. You must not use, disclose, store, sell, or disseminate any Cardholder data except: (a) to authorize, complete, and settle Card transactions; (b) to resolve Chargebacks; (c) to respond to requests for documentation related to Card transactions (such as a copy of a Sales Draft or other transaction source documents); or (d) as both required by valid court order, government agency order, or subpoena and compliant with Card Organization Rules. You acknowledge that you do not have and will not obtain ownership rights in any Cardholder data or Transaction Data.

10 Intellectual Property

10.1 Servicers' Ownership. As among Servicers and Client, Servicers exclusively own all right, title, and interest (under federal, state, local, and international laws and under the laws of any other country, territory, or jurisdiction) in and to the: (a) Intellectual Property; (b) Technology; (c) Services; (d) Software; and (e) Documentation. You shall not take any action that is inconsistent with, or that challenges, the rights, title, and ownership set forth in this Section10.1.

10.2 Your Limited License. We grant you a non-transferable, non-assignable, non-exclusive, limited, royalty-free, revocable license to access and use the Services, Software, and Documentation solely within the United States (excluding U.S. territories and possessions), solely for their intended purpose(s), solely for your business purpose(s) (not for any household or other non-commercial use), solely on systems that you own or license, and solely in accordance with the

terms of the Agreement ("**Limited License**"). For the avoidance of doubt: (a) other than the Limited License, nothing in this Section 10.2 or the Agreement assigns, transfers, or creates any right, title, or interest for you (whether express or implied, or by estoppel or otherwise) in or to the Intellectual Property, Technology, Services, Software, or Documentation; and (b) all right, license, title and interests that are not expressly granted pursuant to the Limited License are expressly withheld. You obtain no rights (license or otherwise) to any Marks, brand names, or logos associated with any Services, or associated with us or our service providers. The Limited License shall immediately terminate on the earlier of (y) termination of the Agreement, and (z) termination of the Services related to such Limited License.

10.3 **Documentation and Software.** If Documentation is provided for a Service: (a) you must access and use such Service in accordance with such Documentation; and (b) you may use such Documentation only in connection with your access to and use of such Service. Software can only be used with certain computer operating systems and it is your responsibility to ensure that you have the appropriate hardware and software to use the Software. You are bound by all Software and other Intellectual Property terms and conditions of use and other license terms, whether provided by a Third Party (such as an Equipment manufacturer or Software owner) or by us.

10.4 **Marks.** You must comply with all Card Organization Rules, guidelines, and standards regarding Marks owned by any Card Organization, including those regarding use, display, and reproduction of Marks. Your use and display of any Card Organization Marks will terminate upon the earlier of: (a) termination of the Agreement; or (b) notice to you that the Card Organization has requested or required such termination. You may not use our Marks (or those of our Affiliates or Third Party service providers) in any manner, including in any advertisements, displays, or press releases, without our prior written consent. You shall not: (y) indicate that we or any Card Organization endorses your goods or services; or (z) use our Marks or the Marks of any Card Organization in any way that injures or diminishes the goodwill associated with the Marks.

10.5 **Updates.** At any time we may release updates to Software or Services ("**Updates**"), which you must install and integrate with your systems within 30 days of receipt. Failure to install Updates timely may impair the Software or Services. We have no liability for your failure to properly install the most current version of Software or any Update, and we have no obligation to provide support or services for outdated versions.

10.6 **Transaction Data.** You authorize us, our service providers, and our Third Party providers of payments products and services that are complementary to our services to use and disclose, within and outside of the United States, Transaction Data in connection with: (a) improving products and services; (b) making products and services (including analytics products and services) available to you, our other clients, and other merchants and Third Parties; and (c) for any other lawful reason. As part of our rights under this Section 10.6, we may in certain instances collect, aggregate, and use de-identified and aggregated Transaction Data. In addition, in the course of providing Services we may collect information related to activities on your network and Merchant Systems, including network configuration, TCP/IP packet headers and contents, log files, malicious codes, and Trojan horse information. You permit us to use such information, or aggregations of it, for any lawful purpose.

11 Assignment; Material Changes

11.1 **Assignment by Client.** If you transfer or assign the Agreement or any portion of it, or if you attempt to sublicense or otherwise transfer any licensed rights, in each case whether by operation of law or otherwise, without our prior written consent: (a) we may void such transfer, assignment, and/or sublicense; and (b) we may suspend the Services, declare an Event of Default, and exercise any of our other rights under the Agreement.

11.2 **Material Changes.** You will provide us reasonable advance written notice of any material change in the nature of your business ("**Material Change**"). Material Changes include any change in control or merger; any liquidation; any transfer or sale of substantially all of your assets; and any change that could materially affect the products or services you sell, your procedures for payments acceptance, or your fulfillment of obligations to Cardholders. If a Material Change occurs to which we do not consent in writing, we may suspend the Services, declare an Event of Default, or exercise any of our other rights under the Agreement.

11.3 **Responsibility for Transactions.** You are liable to us for all Chargebacks, Servicers Fees, Third Party Based Fees, and other liabilities arising in connection with: (a) any Card transactions submitted to us for processing by any assignee or transferee of the Agreement (or any part of the Agreement) not previously approved as such by us; and (b) any Card transactions submitted to us following any Material Change not previously approved by us in writing. We may collect amounts owed under this Section 11.3 by setting off or recouping against settlement funds, debiting your Settlement Account, debiting a Reserve Account, or in any other manner we are permitted to collect any other amounts under the Agreement.

11.4 **Assignment of Right to Receive Settlement Proceeds by Client.** You may not enter into any agreement that would require the transfer of any payments or proceeds from Card transactions covered by the Agreement to the custody or control of any Third Party. You may not assign the right of payment under the Agreement to any Third Party. In the event that you make an assignment (or provide a security interest) of receivables covered by the Agreement, then we may, at

our option, elect to (a) refuse to acknowledge such assignment unless accompanied by an authorization to initiate both debits and credits to the bank account of the assignee, (b) terminate the Agreement immediately, or (c) charge for any transfers that we are called upon to make manually to fulfill such an assignment at the rate of $100 per transfer.

11.5 Assignment by Us. Another Visa and Mastercard member may be substituted for Bank under whose sponsorship the Agreement is performed with respect to Visa and Mastercard transactions. Upon substitution, such other Visa and Mastercard member shall be responsible for all obligations required of Bank for Visa and Mastecard transactions, including without limitation, full responsibility for its Card program and such other obligations as may be expressly required by applicable Card Organization Rules. Subject to Card Organization Rules, we may assign or transfer the Agreement and our rights, duties, and obligations hereunder and/or delegate or subcontract our rights, duties, and obligations hereunder, in whole or in part, to any Third Party, whether in connection with a change in sponsorship, as set forth in the preceding paragraph, or otherwise, without your consent; provided, however that in the event we so assign or subcontract the Agreement, in whole or in part, we agree to provide you written notice of such assignment or subcontract (as applicable) as promptly as practicable following such assignment or subcontracting by us.

11.6 Permitted Assignments are Binding. Except as set forth elsewhere in this Section and as provided in the following sentence, the Agreement shall be binding upon successors and assigns and shall inure to the benefit of the parties and their respective permitted successors and assigns. No assignee for the benefit of creditors, custodian, receiver, trustee in bankruptcy, debtor in possession, or other Third Party charged with taking custody of a party's assets or business, shall have any right to continue, assume or assign the Agreement.

12 Term; Termination; Events Of Default

12.1 When the Agreement Takes Effect. The Agreement becomes effective only when approved by our Credit Department ("**Effective Date**"). We reserve the right to immediately suspend or terminate your account and the Agreement if you fail to meet our credit policies even if your account has been activated to submit transactions prior to your approval by our Credit Department.

12.2 Term of the Agreement. The initial term of the Agreement begins on the Effective Date and continues for three (3) years ("**Initial Term**"), unless terminated earlier as provided herein. Thereafter, it shall continue on a month-to-month basis (each, an "**Extended Term**" and, together with the Initial Term, the "**Term**") until we or you terminate the Agreement upon written notice to the other as permitted under the Agreement. If you have an equipment lease, termination of the Agreement does not terminate that equipment lease. If you have rented equipment from us, termination of the Agreement does not relieve you of your obligation to make rental payments until the rented equipment is paid for in full or returned to us.

12.3 Events of Default. Each event set forth below is an "**Event of Default**":

(a) A material adverse change in your business, financial condition, or business prospects.

(b) Any assignment of the Agreement by you in violation of Section 11.1.

(c) Any Material Change we did not consent to in violation of Section 11.2.

(d) Irregular Card sales by you, excessive Chargebacks, or any other circumstances which, in our sole discretion, may increase our exposure for your Chargebacks or otherwise present a financial or security risk to us.

(e) The occurrence of a Compromised Data Event (with respect to you) or a Data Security Event (with respect to us).

(f) Any of a party's representations, warranties, or covenants in the Agreement are breached in any respect.

(g) A party defaults in any material respect in the performance or observance of any term, condition, or agreement contained in the Agreement, including, without limitation, your default in the establishment or maintenance of funds in a Reserve Account, as detailed in Section 13.

(h) You default in the payment when due, of any material indebtedness for borrowed money.

(i) A party files a petition or have a petition filed by another party under the U.S. bankruptcy code or any other laws relating to bankruptcy, insolvency or similar arrangement for adjustment of debts; consent to or fail to contest in a timely and appropriate manner any petition filed against a party in an involuntary case under such laws; apply for or consent to, or fail to contest in a timely and appropriate manner, the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of a party or of a substantial part of a party's property; or make a general assignment for the benefit of creditors; or take any action for the purpose of authorizing any of the foregoing.

(j) Your independent certified accountants shall refuse to deliver an unqualified opinion with respect to your annual financial statements and your consolidated subsidiaries.

(k) A violation by a party of any Applicable Law or Card Organization Rules, including the rules and regulations promulgated by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**") or a party's breach of Section 19.2.

12.4 Termination Due to an Event of Default. Upon the occurrence of an Event of Default specified in subsections 12.3(b), 12.3(c), 12.3(d), 12.3(g) for any breach of Section 13, 12.3(i), or 12.3(k) (or for an Event of Default under Section 12.3(g) for failing to establish or maintain funds in a Reserve Account), the Agreement may be terminated immediately, without notice, and all amounts payable hereunder shall be immediately due and payable in full, provided that any disputed amounts shall be handled in accordance with Section 5. Upon the occurrence of any other Event of Default, the Agreement may be terminated by the non-breaching party by giving written notice to the breaching party if the Event of Default remains uncured for thirty (30) days from the time the breaching party was first notified of the Event of Default, and upon such notice all undisputed amounts payable hereunder shall be due and payable on demand. If any Event of Default occurs, regardless of whether such Event of Default has been cured, each party may, in its sole discretion, exercise all of its rights and remedies under Applicable Law, and the Agreement including, without limitation, exercising its rights under Section 13.

12.5 Termination Related to the IHG Agreement. Processor and Six Continents Hotels, Inc. ("**IHG**") are parties to that certain Merchant Services Referral Agreement dated October 16, 2014 (as supplemented and amended, the "**IHG Agreement**"). Upon expiration or termination of the IHG Agreement: (a) you may terminate the Agreement without penalty; and (b) you are entitled to receive Termination Assistance Services, unless the IHG Agreement is terminated by us for cause (in which case, we may choose whether to provide Termination Assistance Services in our discretion).

12.6 Effect of Termination. Upon expiration or termination of the Agreement:

(a) All obligations by a party to pay or reimburse the other party for any obligations associated with transactions you have submitted to us or disputed payments will survive termination of the Agreement until finally and irrevocably paid in full and settled.

(b) You shall continue to bear total responsibility for all Chargebacks, fees, and other amounts (including all Servicers Fees and Third Party Based Fees) associated with transactions submitted by you or by any assignee or transferee of the Agreement not previously approved by us, and for all activity under your Merchant Account, until all such Servicers Fees, Third Party Based Fees, Chargebacks, and other amounts have been paid in full (and regardless of whether such transactions were submitted and such activity occurred before or after termination).

(c) Your Limited License and any other license related to the terminated Service(s) immediately terminate and, within 5 days after termination, you must return to us or destroy all related Software and Documentation and, upon our request, certify the same to us in writing.

(d) In the event you file for protection under the U.S. bankruptcy code or any other laws relating to bankruptcy, insolvency, assignment for the benefit of creditors or similar laws, and you continue to use our Services, it is your responsibility to open new accounts to distinguish pre and post filing obligations. You acknowledge that as long as you utilize the accounts you established prior to such filing, we will not be able to systematically segregate your post-filing transactions or prevent set-off of the pre-existing obligations. In that event, you will be responsible for submitting an accounting supporting any adjustments that you may claim.

12.7 MATCH Reporting. The Card Organizations often maintain merchant lists, such as the Member Alert To Control High-risk (Merchants) ("**MATCH**"), who have had their merchant agreements or Card acceptance rights terminated for cause. If the Agreement is terminated for cause by us due to an Event of Default by you, you acknowledge that we may be required to report your business name and the names and other information regarding your principals to the Card Organizations for inclusion on such list(s). You expressly agree and consent to such reporting if you are terminated as a result of the occurrence of an Event of Default or for any reason specified as cause by Visa, Mastercard or Discover. Furthermore, you agree to waive and hold us harmless from and against any and all claims which you may have as a result of such reporting.

12.8 Termination Assistance. For up to ninety (90) days following the date of termination of the Agreement, and at your request, we will provide to you, at no additional charge (other than the Servicers Fees, Third Party Based Fees, and other amounts due under the Agreement), such assistance, including the continued performance of the Services, as may be reasonably required to transition you from us to an alternative service provider (the "**Termination Assistance Services**"). As part of such Termination Assistance Services, we will provide continued access to our reporting system for Chargeback retrieval. Notwithstanding the foregoing, we are not required to provide Termination Assistance Services if the Agreement is terminated due to: (a) a Compromised Data Event; (b) your breach of your obligations with respect to the Reserve Account in Section 13; (c) your failure to maintain sufficient funds in the Settlement Account; (d) fraud or excessive Chargebacks; or (e) the request or requirement of any Card Organization. For avoidance of doubt, all terms and provisions of these Terms and Conditions, the Fee Schedule, and the other components of the Agreement apply to any Termination Assistance Services.

13 RESERVE ACCOUNT; SECURITY INTEREST

13.1 Reserve Account Generally. You expressly authorize us to establish a Reserve Account pursuant to the terms and conditions set forth in this Section 13. The amount of such Reserve Account shall be set by us and may be adjusted by

us from time to time, in our sole discretion, based upon your processing history and the potential risk of loss to us as we may determine from time to time.

13.2 Funding the Reserve Account.

(a) **Timing.** The Reserve Account shall be fully funded: (i) immediately in instances of fraud, suspected fraud, the occurrence of an Event of Default, or any party providing notice of termination of the Agreement; or (ii) upon three days' notice if required for any other reason.

(b) **Method.** The Reserve Account may be funded by all or any combination of the following: (i) one or more debits to your Settlement Account or any other accounts held by either of us or any of our respective Affiliates, at any financial institution maintained in the name of Client, any of its principals, or any of its guarantors, or if any of same are authorized signers on such account; (ii) our collection of any payments or amounts (including settlement funds) otherwise due to you; or (iii) with our consent, your delivery to us of a letter of credit issued by a financial institution acceptable to us and in a form satisfactory to us.

(c) **Holding and Return of Funds.** Any Reserve Account will be held by us for the greater of ten (10) months after termination of the Agreement or for such longer period of time as is consistent with our liability for your Card transactions and Chargebacks in accordance with Card Organization Rules, at which time, we will return all remaining amounts in the Reserve Account to you. We will hold funds pursuant to this Section 13.2 in master account(s) with your funds allocated to separate sub accounts. Unless specifically required by law, you shall not be entitled to interest on any funds held by us in a Reserve Account.

13.3 Payment of Amounts from Reserve Account; Deficiencies. We may collect any Servicers Fees, Third Party Based Fees, Chargebacks, and other amounts (collectively in this Section 13.3, "**all such amounts**") arising in connection with the Agreement from the Reserve Account. If your funds in the Reserve Account are not sufficient to cover all such amounts, or if the funds in the Reserve Account have been released, you agree to promptly pay us all such amounts upon request. In addition, we may collect all such amounts in any manner we otherwise are permitted to collect amounts under the Agreement, including by net settling against your settlement funds, setting off against amounts owed to you, and debiting your Settlement Account.

13.4 Security Interest. To secure your obligations to us and our respective Affiliates under the Agreement, you grant to us a first priority lien and security interest in and to: (a) the Reserve Account; and (b) any of your funds pertaining to the Card transactions contemplated by the Agreement now or hereafter in our possession, whether now or hereafter due or to become due to you from us. Any such funds, money, or amounts now or hereafter in our possession may be commingled with other funds of ours, or, in the case of any funds held pursuant to the foregoing paragraphs, with any other funds of other customers of ours.

13.5 Set-Off. In addition to any rights now or hereafter granted under Applicable Law and not by way of limitation of any such rights, we are hereby authorized by you at any time and from time to time, without notice or demand to you or to any Third Party (any such notice and demand being hereby expressly waived), to set off, recoup, and to appropriate and apply any and all such funds against and on account of your obligations to us and our respective Affiliates under the Agreement and any other agreement with us our respective Affiliates for any related equipment or related services (including any check services), whether such obligations are liquidated, unliquidated, fixed, contingent, matured or unmatured. You agree to duly execute and deliver to us such instruments and documents as we may reasonably request to perfect and confirm the lien, security interest, right of set-off, recoupment and subordination set forth in the Agreement.

14 FINANCIAL AND OTHER INFORMATION

14.1 Providing Information. Upon request, you will provide us and our Affiliates, quarterly financial statements within 45 days after the end of each fiscal quarter and annual audited financial statements within 90 days after the end of each fiscal year. Such financial statements shall be prepared in accordance with generally accepted accounting principles. You will also provide such other financial statements and other information concerning your business and your compliance with the terms and provisions of the Agreement as we may reasonably request. You authorize us and our respective Affiliates to obtain from credit agencies and any trade references provided by you financial and credit information relating to you in connection with our determination f whether to accept the Agreement and our continuing evaluation of your financial and credit status. We may also access and use information which you have provided to us under the Agreement. Upon reasonable request, you shall provide, and/or cause to be provided, to us and our respective Affiliates, or our respective representatives, regulators, or forensic examiners (as well as those of the Card Organizations), reasonable access to your records for the purpose of performing any inspection and/or copying of books and/or records deemed appropriate.

15 INDEMNIFICATION

15.1 Indemnification by Client. You agree to indemnify us, our Affiliates, and our and their respective officers, directors, employees, successors, and permitted assigns (the **"FDSH Indemnitees"**) from, and defend and hold the FDSH

Indemnitees harmless from and against, all third party claims brought against FDSH Indemnitees, and all related losses to the extent such claims result from or arise out of: (a) your breach of your representations, warranties, or obligations set forth in the Agreement; (b) any claims initiated by your Affiliates or agents asserting rights under the Agreement; or (c) gross negligence or willful misconduct of you or your agents. In addition, you agree to defend and hold FDSH Indemnitees harmless from and against third party claims to the extent covering Excluded Claims brought against the FDSH Indemnitees, and all related losses.

15.2 Indemnification by Us. Subject to the Liability Cap and the Damages Exclusion, we agree to indemnify you from, and defend and hold you harmless from and against, any third party claims brought against you and all related losses to the extent such claims result from or arise out of: (a) our material breach of our representations, warranties, or obligations set forth in the Agreement; (b) any claims initiated by our Affiliates or agents asserting rights under the Agreement; or (c) gross negligence or willful misconduct by us or our agents. For avoidance of doubt, the obligations under this Section 15.2 shall not apply to Bank with respect to Non-Bank Services.

15.3 Intellectual Property Infringement Indemnification. Processor will indemnify, defend, and hold you harmless from and against any third party claim alleging that the Services infringe or misappropriate any patent, copyright, trademark, service mark, trade secret, or other proprietary right (collectively for purposes of this Section 15.3, "**Intellectual Property Rights**") of such third party; provided that the foregoing indemnification under Section 15.3 shall not apply to that portion (and only that portion) of any third party claim that is caused by, results from, or arises out of: (a) your failure to use the Services as required under the Agreement; (b) your configuration, modification, or use of the Services in combination with other products or services (including software, equipment, or systems) that are not provided by Processor and that combination creates a process or method that is the causation for the infringement or misappropriation; (c) Processor's use of any designs, artwork, concepts, trademark specifications, or other copyrighted materials provided by you or on your behalf (including by IHG) in connection with the Agreement; or (d) Processor's custom development of the Services pursuant to a request by you or IHG and that development creates a process or method that is the causation for the infringement or misappropriation (the claims (or portions of claims) referred to in the foregoing clauses (a), (b), (c) and (d) are herein referred to collectively as the "**Excluded Claims**"). If any part of the Services is determined or reasonably suspected to be infringing, Processor, at its option and expense, shall: (w) procure for you the continued use of such Services; (x) replace such Services with non infringing Services that are a functional equivalent; (y) modify such Services so that they become non-infringing and remain functionally equivalent, provided that, if (x) or (y) is the option chosen by Processor, your intended use of such Services is not materially impaired; or (z) terminate such Services in their entirety upon written notice to you, and without further liability to you hereunder other than Processor's indemnification obligations hereunder and, subject to the Liability Cap, any direct damages incurred by you as a result of such termination.

16 SPECIAL PROVISIONS REGARDING NON-BANK CARDS

16.1 Services Provided by Bank, Conveyed Transactions, and Non-Bank Services.

(a) **Services Provided by Bank**. Bank only provides, and its obligations and liability are limited to, sponsorship, settlement, and related Bank services for certain Card transactions, which do not include Non-Bank Card transactions or Non-Bank Services. For avoidance of doubt, Bank is not a party to the Agreement with respect to, and does not have any responsibilities or liability with respect to, transactions that Processor sponsors and settles under the Agreement or Conveyed Transactions.

(b) **Non-Bank Services.** Non-Bank Services are provided to you by Processor, not by Bank. Bank is not responsible for, and has no liability to you in any way with respect to, Non-Bank Services. The provisions of the Agreement regarding Discover Card transactions, American Express Card transactions, and other Non-Bank Services are an agreement solely between you and Processor. Non-Bank Services are subject to all terms and provisions of these Terms and Conditions. To the extent terms specific to a Non-Bank Service directly conflict with another provision of the Agreement, the terms specific to the Non-Bank Service will control with respect to such Non-Bank Service.

(c) **Conveyed Transactions.** The following terms apply to Conveyed Transactions: (a) Processor (not Bank) will provide an Authorization response to Authorization requests; (b) Processor and Bank do not have any responsibility or liability for funding, sponsoring, or settling Conveyed Transactions; (c) you must enter into, and comply with the terms of, a separate agreement with the Card Organization or Issuer that settles Conveyed Transactions ("**Issuer Agreement**"), and must pursue directly with such Card Organization or Issuer all related claims and disputes; (d) the Card Organization or Issuer that settles Conveyed Transactions may charge additional fees and amounts, for which you are exclusively responsible and liable; and (e) if the Issuer Agreement has been terminated, suspended, or is not in effect, Processor does not have any obligation to provide any Services for Conveyed Transactions.

(d) **Fees.** You shall pay us the fees for Conveyed Transactions and other Non-Bank Services as set forth on your Application, MPA Addendum, Fee Schedule, and/or other Schedules, or as we otherwise disclose to you. Fees for Non-Bank Services may be charged and collected in any manner that other Servicers Fees, Third Party Based Fees, and other amounts may be charged and collected under the Agreement.

(e) **Discover.** Services provided for transactions made with Cards branded by Discover, Diners Club International JCB, Union Pay, BCcard, or any other Card Organizations subsequently designated by Discover (such Cards are "**DNP Card Types**" and such transactions are "**DNP Transactions**") are Non-Bank Services. Depending on your Merchant Account, DNP Transactions may be sponsored and settled by either Processor or Discover. DNP Transactions that Discover sponsors and settles are Conveyed Transactions. DNP Transactions will be processed under and subject to Discover Card Organization Rules and the terms of the Agreement applicable to Discover Card acceptance and transactions, including, without limitation, the fees, rates, and interchange programs applicable thereto.

(f) **American Express.** American Express transactions are funded by American Express. American Express will provide you with its own agreement that governs those transactions. We are not responsible for and assume no liability with regard to the funding and settlement of American Express transactions. American Express will charge additional fees for the services it provides.

17 DEBIT CARD TRANSACTIONS

17.1 Debit Card Transactions Generally; Debit Networks Used. Your Debit Card transactions are subject to the terms of the Agreement, Card Organization Rules (including those of Debit Networks), and Applicable Law. Subject to Applicable Law, we may choose any available Debit Network, including a Debit Network affiliated with us, when routing your Debit Network Transactions. The Debit Network used may not be the lowest cost Debit Network available. We may change Debit Networks used based on various factors, including availability, features, functionality, and our own business considerations. The Your Payments Acceptance Guide contains additional details and requirements related to your acceptance of Debit Cards.

17.2 Accepting Debit Cards. When a Debit Card is presented you must: (a) read the account number electronically from the magnetic stripe or chip for Debit Network transactions made via use of a PIN, and if the magnetic stripe or chip is unreadable for such a transaction you must request another form of payment; (b) honor all valid Debit Cards presented; and (c) not manually enter the Card account number for Debit Network transactions made via use of a PIN.

18 CHOICE OF LAW; VENUE; WAIVER OF JURY TRIAL

18.1 Choice of Law. The Agreement shall be governed by and construed in accordance with the laws of the State of New York (without regard to its choice of law provisions).

18.2 Venue. The exclusive venue for any actions or claims arising under or related to the Agreement shall be in the courts of the State of North Carolina and the United States for the Western District of North Carolina, Charlotte Division, located in Charlotte, North Carolina. You irrevocably and unconditionally agree and submit to the jurisdiction of such North Carolina courts and waive any objection to the venue of such courts whether based on inconvenience of forum or other grounds.

18.3 Waiver of Jury Trial. ALL PARTIES IRREVOCABLY WAIVE ANY AND ALL RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN ANY JUDICIAL PROCEEDING RELATING TO OR ARISING UNDER THE AGREEMENT.

19 OTHER TERMS

19.1 Force Majeure. No party shall be liable for any default or delay in the performance of its obligations under the Agreement (excluding your obligation to pay us Servicers Fees, Third Party Based Fees, Chargebacks, and other amounts related to Services provided and transactions processed under the Agreement, which obligation is not subject to this Section 19.1) if and to the extent such default or delay is caused, directly or indirectly, by: (i) fire, flood, earthquake, elements of nature, or other acts of God; (ii) any terrorist attacks or outbreak or escalation of hostilities, war, riots, or civil disorders in any country; (iii) any act or omission of the other party or any government authority; (iv) any labor disputes (whether or not employees' demands are reasonable or within the party's power to satisfy); or (v) the nonperformance by a Third Party for any similar cause beyond the reasonable control of such party, including without limitation, failures or fluctuations in telecommunication or other equipment. In any such event, the non-performing party shall be excused from any further performance and observance of the obligations so affected only for as long as such circumstances prevail and such party continues to use commercially reasonable efforts to recommence performance or observance as soon as practicable.

19.2 Compliance with Laws. Each party is responsible for determining all Applicable Law that is applicable to it and for complying with all such Applicable Law in connection with the Agreement. You further agree to cooperate and provide information requested by Servicers, as Servicers determine necessary, to facilitate Servicers' compliance with Applicable Law, including without limitation the rules and regulations promulgated by OFAC and the USA PATRIOT Act. As part of your obligation to comply with Applicable Law, you agree not to use the Merchant Account and/or the Services for illegal transactions, for example, those prohibited by the Unlawful Internet Gambling Enforcement Act, 31 U.S.C. Section 5361 et. seq., as may be amended from time to time or for processing and accepting transactions in certain jurisdictions pursuant to 31 CFR Part 500 et. seq. and other laws enforced by OFAC.

19.3 Notices; Contact Information. Except as otherwise specifically provided, all notices and other communications required or permitted hereunder (other than those involving normal operational matters relating to the processing of Card transactions) shall be in writing, and if to you, at your address appearing in the Application. Notices to Processor must be

sent to FDS Holdings, Inc., 4000 Coral Ridge Drive, MS/CON- MER-B, Coral Springs, FL 33065, Attn: Merchant Services. Notices to Bank must be sent to Bank of America, N.A., 9200 Shelbyville Road, Suite 200, KY6-225-0202, Louisville, KY 40222, Attention: Operations Manager. Notices shall be deemed to have been given (i) if sent by mail, upon the earlier of five (5) days after mailing or when actually received, (ii) if sent by courier, when delivered, and (iii) if sent by facsimile machine, when the courier confirmation copy is actually received. Notice given in any other manner shall be effective when actually received. Notices sent to your last known address, as indicated in our records, shall constitute effective notice to you under the Agreement. Processor's Customer Service phone number is 833-692-5687.

19.4 Headings; Rules of Interpretation. The headings contained in these Terms and Conditions are for convenience of reference only and shall not in any way affect the meaning or construction of any provision of these Terms and Conditions. Each definition used in the Agreement includes the singular and the plural, and reference to the neuter gender includes the masculine and feminine where appropriate. Reference to Applicable Law or regulation means such law or regulation as amended as of the time of determination and includes any successor laws and regulations. Except as otherwise stated, reference to "Section" or "Sections" means the sections of these Terms and Conditions. The words "including" or "includes" or similar terms used herein shall be deemed to be followed by the words "without limitation", whether or not such additional words are actually set forth herein. Text enclosed in parentheses has the same effect as text that is not enclosed in parentheses.

19.5 Severability. The parties intend every provision of the Agreement to be severable. If any part of the Agreement is not enforceable, the remaining provisions shall remain valid and enforceable.

19.6 Entire Agreement; Waiver. The Agreement constitutes the entire Agreement between the parties with respect to the subject matter thereof, and supersedes any previous agreements and understandings. A party's waiver of a breach of any term or condition of the Agreement shall not be deemed a waiver of any subsequent breach of the same or another term or condition.

19.7 Amendment. We may modify any provision of the Agreement by providing written notice to you. You may choose not to accept the requirements of any such change by terminating the Agreement within twenty (20) days of receiving notice. For purposes of this section, an electronic or "click-wrap" notice intended to modify or amend the Agreement and which you check "I Accept" or "I Agree" or otherwise accept through an electronic process, shall constitute in writing as required herein. This Section 19.7 does not apply to changes to Third Party Based Fees, which are governed by Section 6.2, or to changes made pursuant to Section 2.6. For avoidance of doubt, you do not have any termination right with respect to any changes to Third Party Based Fees or with respect to any changes made in connection with our rights under Section 2.6

19.8 No Third Party Beneficiaries. Our respective Affiliates and any Third Parties we use in providing the Services are third party beneficiaries of the Agreement and each of them may enforce its provisions as if it was a party hereto. Except as expressly provided in the Agreement, nothing in the Agreement is intended to confer upon any Third Party any rights or remedies and the parties do not intend for any Third Parties to be third party beneficiaries of the Agreement.

19.9 Reporting Information; Backup Withholding. Pursuant to Section 6050W of the Internal Revenue Code, merchant acquiring entities (like Bank) and Third Party settlement organizations are required to file an information return reflecting all payment card transactions and Third Party network transactions occurring in a calendar year. In addition, the Internal Revenue Code may require us to undertake backup withholding if you do not provide Bank with the correct name and TIN that you use when filing your income tax return that includes the transactions for your business. Accordingly, to avoid backup withholding, it is very important that you provide us with the correct name and TIN that you use when filing your tax return that includes the transactions for your business.

19.10 Card Organization Rules. The parties acknowledge that the Visa, Mastercard, and Discover Card Organization Rules give Visa, Mastercard, and Discover certain rights to require termination or modification of the Agreement with respect to transactions involving Visa, Mastercard, and Discover Cards (including DNP Card Types) and the Visa, Mastercard and Discover Card systems, and to investigate you. The parties also acknowledge that Issuers of other Cards, for which we perform services on your behalf, may have similar rights under their applicable Card Organization Rules with respect to the Agreement's applicability to transactions involving such other Cards.

20 DEFINITIONS

20.1 Defined Terms. As used in the Agreement, the following terms mean as follows:

Acquirer: Bank in the case of Visa, Mastercard and certain Debit Card transactions; Processor in the case of DNP Transactions and any other transactions that Processor sponsors and settles; and neither Bank nor Processor for Conveyed Transactions.

Address Verification Service (AVS): A service for verifying a Cardholder's address, primarily for Card Not Present Transactions.

Affiliate: A Third Party who, directly or indirectly, (i) owns or controls a party to the Agreement or (ii) is under common ownership or control with a party to the Agreement.

Agreement: See the meaning in Section 1.2.

American Express: American Express Company.

Applicable Law: All federal, state and local statutes, ordinances, laws, regulations and executive, administrative, and judicial orders applicable to the Agreement, the transactions or other matters contemplated under the Agreement (including, the rules and regulations promulgated by OFAC), and all amendments thereto.

Application: The Merchant Processing Application and Agreement that you submitted to us in connection with applying to receive the Services, including all additions and modifications thereto.

Authorization: Approval by, or on behalf of, the Issuer to validate a Credit Card or Debit Card transaction. Authorization indicates only the availability of credit or funds at the time the Authorization is requested; it does not indicate that the person presenting the Card is the rightful Cardholder and it does not guarantee that you will not be subject to a Chargeback, an adjustment, or other Servicers Fees and Third Party Based Fees with respect to the authorized transaction.

Authorization Fee: A fee we charge for each transaction that you submit for Authorization, regardless of whether the transaction is authorized or approved.

Bank: Bank of America, N.A. or its successors or assigns.

Bankruptcy Code: Title 11 of the United States Code, as amended from time to time.

Business Day: Monday through Friday, excluding Bank holidays.

Card: See either Credit Card or Debit Card.

Cardholder: The individual or entity whose name is embossed on a Card and any authorized user of such Card, including an individual or entity that has entered into anagreement establishing a Card account with an Issuer.

Card Not Present Transaction: A transaction that occurs when the Card is not present at the point-of-sale, including Internet, mail-order and telephone-order Card sales.

Card Organization: Any entity formed to administer and promote Cards, including, without limitation, Visa, Mastercard, Discover, and any applicable Debit Networks.

Card Organization Rules: The rules, regulations, releases, interpretations, and other requirements (whether contractual or otherwise) imposed or adopted by any Card Organization and related authorities, including, without limitation, those of the PCI Security Standards Council, LLC and the National Automated Clearing House Association.

Card Validation Codes: A three-digit value printed in the signature panel of most Cards and a four-digit value printed on the front of an American Express Card. Visa's Card Validation Code is known as CVV2; Mastercard's Card Validation Code is known as CVC2; and Discover's Card Validation Code is known as a CID.

Chargeback: A Card transaction (or disputed portion) that is returned to us by the Issuer. Client is responsible for payment to us for all Chargebacks.

Client: The party identified as "Client" on the Application. The words "Subscriber," "Customer", "you", "your", and "Merchant" refer to Client.

Conveyed Transactions: Transactions that Processor submits for Authorization, but that neither Processor nor Bank sponsors and settles.

Credit: A refund or price adjustment given for a previous purchase transaction, including, without limitation, for the return of merchandise by a Cardholder to you.

Credit Card: A Card authorizing the Cardholder to buy goods or services on credit.

Credit Draft: A document evidencing a Credit by you to a Cardholder, whether electronic, paper, or some other form, all of which must conform to Card Organization Rules and Applicable Law.

Debit Card: A Card that is tied to, and that authorizes the Cardholder to purchase goods and services using funds from, the Cardholder's bank account or prepaid account. A transaction made using a Debit Card is considered either a Debit Network Transaction or a Non-Debit Network Transaction.

Debit Network: The telecommunications and processing system of a shared electronic funds transfer network (such as Interlink®, NYCE®, or Star®) for processing and settling Debit Network Transactions.

Debit Network Transaction: A transaction made with a Debit Card that is routed through a Debit Network. A Debit Network Transaction made with use of a PIN may be referred to as a "**Debit Network PIN Transaction**" or as "**PIN Debit**". A Debit Network Transaction made without use of a PIN, as permitted under the rules and requirements of the applicable Debit Network, may be referred to as a "**Debit Network PINless Transaction**" or as "**PINless Debit**."

Discover: DFS Services LLC, its subsidiaries and affiliates, and each of its and their respective successors or assigns.

Documentation: The operational documents, technical integration requirements and documentation, user manuals, help files, and other implementation overviews, integration guidelines, sandbox guidelines, and other documentation that we

provide or make available, in written or electronic form, in connection with any Software or Service, as modified by us from time to time.

Factoring: The submission of Authorization requests and/or Sales Drafts by a merchant for Card sales or cash advances transacted by another business.

Fee Schedule: The portion(s) of your Agreement (including your MPA Addendum) that set forth certain fees and amounts that you will be charged for the Services, including Servicers Fees and certain Third Party Based Fees. The term Fee Schedule includes the Interchange Rate Schedule and the Debit Network Fee Schedule.

Group Member: A franchisee, licensee, association member, or other member associated with the Group Owner.

Group Owner: A franchisor, licensor, association, or other group level entity that has a relationship with us for the benefit of the Group Owner and the Group Members designated by or associated with the Group Owner.

Group Owner Agreement: The agreement that we have with the Group Owner to provide Group Owner Benefits to Group Members and/or the Group Owner.

Group Owner Benefits: The products and services, pricing, or other benefits provided to Group Members and/or the Group Owner pursuant to the Group Owner Agreement.

Intellectual Property: The Marks, Software, copyrights, patents, trademarks, service marks, trade dress, materials, web screens, layouts, processing techniques, computer programs, Documentation, procedures, processes, algorithms, methods, specifications, know-how, and other intellectual property that Servicers, Servicers' Affiliates, or any of their licensors, vendors, service providers, or contractors own, develop, or license prior to, during the term of, or after termination of the Agreement, or that Servicers use in connection with the Services, and all updates to, alterations to, and derivative works from any such intellectual property.

Issuer: The financial institution or Card Organization which has issued a Card to an individual, company, corporation, or other legal entity.

Location: A physical location, internet address, division, outlet, processing method, or business activity for which we have assigned a unique Merchant Account Number.

Marks: Names, logos, emblems, brands, service marks, trademarks, trade names, tag lines, or other proprietary designations.

Mastercard: Mastercard International Incorporated, its subsidiaries and affiliates, and each of its and their respective successors or assigns.

Merchant Account: An account we establish for each of your Locations for accounting and billing purposes in connection with the Services.

Merchant Account Number (MID): A number that numerically identifies each Merchant Account.

Merchant Provider: Any Third Party engaged by you to provide services to you involving or relating to (i) access to Cardholder data, Transaction Data or information related to either Cardholder data or Transaction Data or (ii) PIN encryption, including without limitation, Encryption Service Organizations (ESOs). "Merchant Provider" also includes any franchisor (including IHG) or other Third Party that provides or controls a centralized or hosted network environment, irrespective of whether Cardholder data is being stored, transmitted, or processed through it.

Merchant Systems: Any and all equipment, systems, telecommunication lines, wireless connections, software, computers, networks, point-of-sale terminals, card readers, merchandise, card scanners, printers, PIN pad devices, and other hardware, systems, and equipment (whether owned or licensed by you, any of your Affiliates, any Merchant Provider, or another Third Party) used in connection with your accepting, processing, clearing, settling, transmitting, and otherwise handling Card transactions, or otherwise used by you in connection with the Agreement.

MPA Addendum: The Addendum to Merchant Processing Application and Agreement for New Properties and/or Addendum to Merchant Agreement for Existing Properties entered into between you, us, and Bank. The MPA Addendum is a Contract Document and part of the Agreement.

Non-Bank Services: Products and Services provided pursuant to the Agreement, but not provided by Bank, including services for Cards ("**Non-Bank Cards**") and transactions that Processor sponsors and settles and Conveyed Transactions. Non-Bank Services are considered Services and are subject to the Agreement. For purposes of Non-Bank Services, the words "we", "our", and "us" refer only to Processor, not Bank

Non-Debit Network: A Card Organization through which a Non-Debit Network Transaction is processed.

Non-Debit Network Transaction: A transaction made with a Debit Card that is not routed through a Debit Network and that is processed and settled as a Credit Card transaction, against the Cardholder's bank account or prepaid account, as permitted by applicable Card Organization Rules.

PIN: A personal identification number entered by the Cardholder to submit a PIN Debit Transaction.

Processor: FDS Holdings, Inc. or its successors and assigns. Except for Services provided by Servicers, the words "we," "us" and "our" refer to Processor.

Reserve Account: An account established and funded at our request or on your behalf, pursuant to Section 13.

Sales Draft: Evidence of a purchase, rental, or lease of goods or services by a Cardholder from, and other payments to, Client using a Card, including preauthorized orders and recurring transactions (unless the context requires otherwise); regardless of whether the form of such evidence is in paper or electronic form or otherwise.

Schedules: The schedules, fee schedules, rate schedules, exhibits, attachments, enclosures, addenda, and other documents, including revisions thereto, which may be incorporated into or made part of the Agreement concurrently with or after the date of the Agreement.

Services: See the meaning in Section 2.1.

Servicers: For Visa and Mastercard transactions and Debit Card transactions, Bank and Processor collectively, in which case, subject to Applicable Law and Card Organization Rules, Bank and Processor shall be jointly, but not also severally, liable to Client. The words "we," "us" and "our" refer to Servicers for Services provided by Servicers; otherwise, those words refer to Processor.

Servicers Fees. Fees that Servicers impose, establish, or set, including Authorization Fees, Transaction Fees, Equipment-related fees, shipping and handling charges (if applicable), and any other amounts that Servicers impose, establish, or set.

Settlement Account: An account or account(s) at a financial institution designated by Client as the account to be debited and credited by Processor or Bank for Card transactions, Servicers Fees, Third Party Based Fees, Chargebacks, and other amounts due under the Agreement or in connection with the Agreement. If you have designated more than one Settlement Account, references to Settlement Account in the Agreement mean each of your Settlement Accounts.

Software: Any and all software, computer programs, related documentation, technology, know-how and processes embodied in or provided in connection with Card authorization, clearing, completing, settling, transmitting or other related processing, whether equipment, PC, server or Internet based, or otherwise provided in connection with the Services.

Taxes: Any and all sales, use, excise, personal property, stamp, documentary, and ad-valorem taxes; license and registration fees; tariffs, levies, and assessments; fines and penalties; and similar charges, in each case however levied, designated, based, charged, or imposed. Taxes exclude taxes imposed on Servicers based on Servicers' net income.

Technology: The technology used in connection with the provision of Services to Client, including software, firmware, portals, processing systems, processing platforms, networks (in each instance, whether in object or source code font), reports, templates, documentation, and all derivative works of and modifications to such technology.

Third Party (Third Parties): Any third party individual(s) or entity(ies) other than Client, Processor, or Bank.

Third Party Based Fees: Fees, fines, assessments, penalties, obligations, liabilities, adjustments, and other charges and amounts a Card Organization, Issuer, or other Third Party imposes, establishes, or sets, and all related costs and expenses. Whenever used, the term "Third Party Based Fees" includes all Data Compromise Losses and all Chargebacks. Third Party Fees include Card Organization pass through fees and interchange fees, including any fees and amounts associated with any transaction downgrading to a different interchange category.

Third Party Services: Services, goods, equipment, products, promotions, software, applications, systems, materials, and other items provided by any Merchant Provider or other Third Party.

Transaction Data: Data collected as part of performing the Services, including Cardholder information, dates, amounts, and other transaction details.

Transaction Fees: Fees charged on a per transaction basis.

Us, We and Our (us, we and our): See Servicers or Processor.

Visa: Visa Inc., its subsidiaries and affiliates and each of its and their respective successors or assigns.

You, Your (you; your): See Client.

CONFIRMATION PAGE

Please read these Terms and Conditions and the other Contract Documents that make up the Agreement in their entirety. They describe the terms under which we will provide you the Services. Below we have summarized portions of these Terms and Conditions, to assist you with understanding certain key provisions and to answer some common questions.

1 **Servicers may debit your bank account(s)** (also referred to as your Settlement Account(s)) from time to time for amounts owed to them under the Agreement.

2 **There are many reasons a Chargeback** may occur. Servicers will debit the amount of Chargebacks from your settlement funds or Settlement Account, or from any Reserve Account. See Section 7 and the Your Payments Acceptance Guide.

3 **If you dispute any charge or funding**, you must notify Servicers within 90 days of the date of the statement where the charge or funding appears for Card processing. See Section 6.6.

4 **The Merchant Agreement limits liability to you.** For detailed descriptions of the limitations of liability see Section 8.

5 **Servicers have assumed certain risks** by agreeing to provide you the Services. Accordingly, they may take actions to mitigate their risk, including terminating the Agreement and/or holding monies otherwise payable to you. See Section 12 and Section 13.

6 **By executing the Application**, you authorize FDS Holdings, Inc., Bank of America, N.A., First Data Merchant Services LLC, and American Express Travel Related Services Company, Inc. to obtain financial and credit information regarding your business and the signer and guarantors of the Agreement until all your obligations to those parties are satisfied.

7 **Card Organization Disclosure**

7.1 Important Visa and Mastercard Member Bank Responsibilities:

(a) The Visa and Mastercard Member Bank is Bank of America, N.A The Bank's mailing address is 9200 Shelbyville Road, Suite 200, KY6-225-0202, Louisville, KY 40222.

(b) The Bank is the only entity approved to extend acceptance of Visa and Mastercard products directly to you under the Agreement.

(c) The Bank must be a principal (signer) to the Agreement.

(d) The Bank is responsible for educating you on pertinent Visa and Mastercard rules with which you must comply; but this information may be provided to you by Processor.

(e) The Bank is responsible for and must provide settlement funds to you.

(f) The Bank is responsible for all funds held in reserve that are derived from settlement.

(g) The Bank is the ultimate authority should you have any problems with Visa or Mastercard products (however, Processor also will assist you with any such problems).

7.2 Important Client Responsibilities:

(a) Ensure compliance with Cardholder data security and storage requirements.

(b) Maintain fraud and Chargebacks below Card Organization thresholds.

(c) Review and understand the terms of the Agreement.

(d) Comply with Card Organization Rules.

(e) Retain a signed copy of this Disclosure Page.

(f) You may download Visa's Rules from its website: https://usa.visa.com/.

(g) You may download Mastercard's rules from its website: https://www.mastercard.us/en-us.html

By its signature below, Client acknowledges that it has received and read, and Client agrees to, (1) the Application, (2) the MPA Addendum, (3) the Fee Schedule (including the Interchange Rate Schedule and Debit Network Fee Schedule), (4) the Your Payments Acceptance Guide, and (5) these Terms and Conditions.

No alterations or changes to the Agreement will be accepted; any alterations or changes made are null and void and have no force or effect.

Client's Business Principal: Signature (Please sign below):

X _____ _____ _____

Title **Date**

_____

Please Print Name of Signer

EXHIBIT G-5-1

IHG DIRECT PARTICIPATION AGREEMENT

This Participation Agreement ("**Participation Agreement**") is made between Six Continents Hotels, Inc., a Delaware corporation ("**IHG**") and you (the "**Participating Property**").

WHEREAS, IHG has negotiated contracts with certain suppliers of goods and services through relationship with group purchasing organizations and numerous other suppliers and distributors of goods and services ("**Supplier** or **Suppliers**").

WHEREAS, IHG and Suppliers have agreed in certain instances that IHG may provide these goods and services to Participating Properties and the vehicle for doing so shall be entering into this Participation Agreement between IHG and the Participating Property.

NOW, **THEREFORE**, in consideration of the recitals above and the mutual covenants and obligations in this Participation Agreement, IHG and the Participating Property acknowledge and agree as follows:

1. **Services**. IHG shall facilitate the provision to the Participating Property of the services identified on **Exhibit 1** hereto ("**Services**") and further described in this Participation Agreement in accordance with the terms of this Participation Agreement. Participating Property agrees that it shall use the Services only as explicitly set forth in this Participation Agreement, including but not limited to limiting the use of Services to the specific property or properties set out in **Exhibit 1**.

2. **Payments**. Following the installation and acceptance of the Services by the Participating Property, IHG shall delivery an invoice to the Participating Property for the charges due for the provision of such Services (which may include charges for installation and other required set up). Unless otherwise set forth on **Exhibit 1**, all invoiced amounts shall be due immediately upon receipt and payment shall be made to IHG within fifteen (15) days from the receipt of invoice. IHG reserves the right in its sole reasonable discretion to assess a fee up to [three percent (3%)] of all purchased made hereunder.

    a. As it relates to payments that the Participating Property owes to IHG hereunder, the Participating Property acknowledges and agrees that it is solely responsible to promptly and fully communicate to IHG the expected date by which the Participating Property will be ready for fiber, equipment and other installation required in connection with the provision of Services ("**Site Ready Date**"). In the event that the Participating Property misses or changes the Site Ready Date after IHG has communicated the Site Ready Date to the Supplier or the Supplier cannot reasonably access the site for the installation (collectively "**Customer Not Ready** or **CNR**"), the Participating Property may be assessed a fee in connection thereto, and such fee shall be paid as a part of the payment obligation to IHG as described herein.

    b. In addition, if the Participating Property cancels the required installation for the provision of Services hereunder ("**Site Cancellation**"), the Participating Property may be assessed a cancellation fee in connection with the Site Cancellation ("**Cancellation Fee**"), and the Participating Property shall be responsible for the payment of such Cancellation Fee to IHG when due.

c. For the purposes of this Participation Agreement, "Customer Not Ready" or "CNR" is defined as when the Participating Property's demarcation point (i) is not reasonably available or otherwise ready for fiber delivery from the Supplier; (ii) is still under construction; (iii) does not have permanent power sources; (iv) secured with a door and lock; or (v) does not have fiber panel or rack unit ready in the location previously communicated to IHG or to the Supplier. The location of fiber panel or rack unit described in (v) shall be determined at the time when the Participating Property and Supplier perform a walkthrough on the site of the Participating Property prior to any work that the Supplier performs ("**Walkthrough**") in connection with this Participation Agreement. Any fee assessed by the Supplier in connection with a CNR situation shall be paid promptly and in full by the Participating Property.

d. Furthermore, in the event that the Participating Property's demarcation point is moved from the location agreed to by the Participating Property and the Supplier during the Walkthrough, any request to change or move the location of the demarcation point may result in a direct charge to the Participating Property to cover any and all additional capital expenditure expenses arising from any additional construction. Participating Property shall promptly and in full pay such direct charge to IHG when due.

3. **Termination by IHG**. IHG may immediately terminate this Participation Agreement at any time and for any reason, including the following:
   a. Participating Property is in default of any provision of an IHG License Agreement;
   b. There is any "Transfer" (as defined in the IHG License Agreement) by the Participating Property of the ownership of the Participating Property or change in ownership of the Participating Property that occurs without the prior written consent of IHG or is unauthorized under the IHG License Agreement;
   c. Participating Property sells that Participating Property to a third party;
   d. Participating Property fails to comply with and/or breaches the confidentiality obligations set forth in Section 6 below; or
   e. Participating Property fails to make payments as required by the terms of this Participating Agreement or any agreement with a Supplier.

   Upon any expiration or termination of this Participating Agreement for any reason whatsoever, the Participating Property shall immediately destroy or return all goods or documents in its possession that are the property of IHG or its affiliate, and any documents containing confidential information together with all copies thereof as may be deemed reasonable by both parties, except for such copies as shall be required for Participating Property's taxation or accounting records or as otherwise required by law.

4. **Early Termination by Participating Property**. A property may be considered no longer a Participating Property when it is de-flagged in the IHG internal system or is otherwise a no longer an IHG-branded property ("**Deflagged Property**"). On the date that the Participating Property becomes a Deflagged Property ("**Deflagged Date**"), the Participating Property is subject to pay early termination fees ("**ETFs**") in connection with the Services set forth in **Exhibit 1**. ETFs are calculated based on the number of months remaining under the Participation Agreement times the monthly rate for the Services. At IHG's reasonable, sole discretion, IHG may directly debit the amount of ETFs on the Deflagged Date from the account that is associated with the Participating

Property at the time of Deflagged Date. ETFs fulfill the terms of the Participation Agreement and will be forwarded to the Participating Property's IHG Franchise Statement as such.

In addition, the Participating Property is responsible for the equipment in connection with the Services not returned to the Supplier after the Participating Property has been de-flagged. Once the Participating Property becomes a Deflagged Property, the Participating Property will be billed for the fees owed on the equipment within sixty (60) days from the de-flagged date in a manner that IHG chooses. Such fees will be returned to the Participating Property once IHG has confirmed that all of the associated equipment has been returned to the Supplier or to IHG.

Furthermore, if the Participating Property leaves the IHG System such that it is no longer an IHG-branded property while the Participation Agreement is still in effect, the Participating Property shall be liable for payment to IHG of ETFs equal to (X) the number of months remaining on the term of this Participation Agreement multiplied by (Y) the monthly fees due under the Participation Agreement. Such payment is due within thirty (30) days following the termination date.

5. **Obligations**. In the event of sale of the Participating Property to a third party, the seller of Participating Property shall take commercially reasonable efforts to ensure that the purchaser of the Participating Property understands and assumes the remaining term of this Participation Agreement, if any, for the Services that the Participating Property receives under **Exhibit 1**. In the event that the seller of the Participating Property fails to notify the purchaser or the purchaser does not agree to assume the remaining term of this Participation Agreement, if any, as a part of the sale of the Participating Property, the undersigned acknowledges and agrees to assume any and all charges and fees associated with early termination of this Participation Agreement as a result of the sale, which shall be no more than the prorated amount of fees remaining on the 36-month term of this Participation Agreement.

6. **Confidentiality**. In consideration of Supplier and Participating Property disclosing to each other the confidential information about the prices of goods and services negotiated by IHG with Supplier and other confidential information pertaining to this Participation Agreement, the Participating Property agrees:

    a. Not to use, disclose, share, or otherwise disseminate any information related to this Participation Agreement, including the confidential price information, for any purpose whatsoever other than strictly for the purpose of this Participation Agreement;
    b. To disclose the price information only to those of its personnel who need access to the same for the purpose of this Participation Agreement, and otherwise to keep the prices and all confidential information strictly confidential and not permit any person access thereto;
    c. Not to make any copies of documentation relating to this Participation Agreement, including price information, except strictly for the purpose of and to the extent necessary for the purpose of this Participation Agreement;
    d. Upon termination of this Participation Agreement to return to Supplier and IHG all documentation relating hereto, including pricing information, in the possession or control of the Participating Property (including recipient personnel) and any copies of the information except for such copies as shall be required for Participating

Property's taxation or accounting records or as otherwise required by law;

e. Participating Property shall ensure that its affiliated companies comply with the provisions of this Section 6. THE BREACH BY PARTICIPATING OWNER OF THIS SECTION 6 SHALL BE DEEMED A MATERIAL BREACH OF THIS PARTICIPATION AGREEMENT INCAPABLE OF REMEDY ON THE PART OF PARTICIPATING PROPERTY;

f. If Participating Property becomes aware of any breach of this Section 6, it shall immediately give formal notice to Supplier (and IHG, where applicable), giving all available details of the breach and shall at its own cost take such steps as Supplier (and IHG, where applicable) may at Supplier's discretion (or IHG's discretion, where applicable) decide in order to minimize the loss which Supplier (and/or IHG, where applicable) may otherwise suffer as a result of such breach.

7. **Intellectual Property**. Participating Property acknowledges that any intellectual property (both registered and unregistered) that is developed by IHG in the provision of the Services shall remain the exclusive and sole property of IHG and its affiliate and may not be used by the Participating Property without the prior written consent of IHG.

8. **Assignment**. Participating Property may not assign this Participation Agreement, nor any of its rights and/or obligations under it, nor purport to do so, nor hold any such rights in trust for any other person except to the extent required under Section 5, "Obligations", above.

9. **Release and Indemnity**. PARTICIPATING PROPERTY, ITS PARENT, SUBSIDIARIES, AND AFFILIATES, AND EACH OF THEIR RESPECTIVE HEIRS, REPRESENTATIVES, DIRECTORS, AGENTS, SUCCESSORS AND ASSIGNS HEREBY RELEASE, REMISE, AND FOREVER DISCHARGE IHG AND ITS PARENTS, SUBSIDIARIES AND AFFILIATES AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, SUCCESSORS, AND ASSIGNS (EACH HEREINAFTER REFERRED TO AS AN "INDEMNIFIED PARTY") FROM ANY AND ALL CLAIMS, WHETHER KNOWN OR UNKNOWN, OF ANY KIND OR NATURE, ABSOLUTE OR CONTINGENT, AT LAW OR IN EQUITY, IN ANY WAY RELATING TO THE SERVICES OR THIS AGREEMENT. PARTICIPATING PROPERTY SHALL INDEMNIFY THE INDEMNIFIED PARTIES AND HOLD THEM HARMLESS FROM ANY LOSS, LIABILITY, DAMAGE, COST OR EXPENSE, AND PROMPTLY REIMBURSE THEM FOR ALL PAYMENTS OF MONEY (FINES, DAMAGES, LEGAL FEES, COSTS, PENALTIES AND EXPENSES) BY REASON OF ANY CLAIM OR LEGAL PROCEEDINGS ARISING FROM ANY ACT, OMISSION OR OBLIGATION OF PARTICIPATING PROPERTY OR ANYONE ASSOCIATED OR AFFILIATED WITH PARTICIPATING PROPERTY. **THIS SECTION 9 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.**

10. **Defective Equipment**. Participating Property acknowledges and agrees that IHG and its parents, subsidiaries, and affiliates (individually and collectively "IHG") shall not be liable for any defective or deficient equipment or Services provided hereunder. Furthermore, Participating Property agrees to assert any warranty, liability, defect, injury, damages and/or indemnification claims directly against the applicable Supplier, manufacturer, vendor, or insurance company and not against IHG.

11. **Warranties Disclaimed**. IHG DISCLAIMS ANY AND ALL REPRESENTATIONS, WARRANTIES, AND LIABILITIES WITH RESPECT TO ANY ASPECT OF ANY PRODUCTS OR SERVICES DELIVERED HEREUNDER, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING ANY

WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IHG MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING AVAILABILITY, SERVICE QUALITY OR OTHERWISE. IHG IS NOT AN AGENT OF THE PARTICIPATING PROPERTY OR ANY SUPPLIER.

12. **No Other Promises**. PARTICIPATING PROPERTY ACKNOWLEDGES AND AGREES THAT IHG HAS NOT MADE ANY PROMISES, REPRESENTATIONS, WARRANTIES OR GUARANTIES OF ANY KIND WHATSOEVER TO PARTICIPATING PROPERTY OR ANYONE ACTING ON PARTICIPATING PROPERTY'S BEHALF.

13. **Compliance with Law**. Participating Property is responsible for complying with all federal, state, and local laws and regulations that may apply to this Participation Agreement and any product or service purchased hereunder.

14. **Choice of Law, Courts, and Dispute Resolution**. This Participation Agreement shall be construed under the laws of the State of Georgia, without application of the principles of conflicts of laws thereof, provided the foregoing shall not constitute a waiver of any of Participating Property's rights under any applicable franchise relationship laws. The parties agree to submit any disputes first to at least a Senior Vice President or equivalent leadership level of each party, then to non-binding mediation, and if unsuccessful to the exclusive jurisdiction of the state courts of DeKalb County, Georgia or the United States District Court for the Northern District of Georgia.

15. **Power to Execute**. The person signing this Participation Agreement on behalf of Participating Property has full power, authority, and legal right to execute, perform and timely observe all the provisions of this Participation Agreement to be performed and observed by Participating Property. Participating Property's execution, delivery and performance of this Participation Agreement have been duly authorized by all necessary action on the part of Participating Property.

16. **No Waiver**. The failure of either party to seek redress for the breach of, or to insist upon the strict performance of any term, clause, or provision of this Participation Agreement, shall not constitute a waiver, unless the waiver is in writing and signed by the party waiving performance.

17. **Severability**. If any provision of this Participation Agreement or the application of any provision hereof is held invalid, the remainder of this Participation Agreement and the application of such provision shall not be affected unless the provision held invalid shall substantially impair the benefits of the remaining portions of this Participation Agreement.

18. **Survival**. Except as otherwise specifically stated herein, any terms of this Participation Agreement that by their nature extend beyond its termination shall remain in effect until fulfilled after any such termination and shall apply to the parties' respective successors and assigns.

19. **No Effect on Other Documents**. This Participation Agreement does not modify or in any way amend any agreements between IHG and the Participating Property, including but not limited to any licensing agreement (including the IHG License Agreement) between thereto. This

Participation Agreement has no bearing on, and in no way supersedes or affects any current or future default and termination notice concerning any agreements between IHG and the Participating Property, including but not limited to any licensing agreement between thereto, if any, issued by IHG or any of its affiliated companies relative to any Participating Property, nor does it affect Participating Property's obligation to comply at all times with the minimum quality and service requirements of IHG.

20. **Publicity**. IHG may use the name of the Participating Property and may include such names in aggregate information in connection with materials released to the public and to other third parties in connection with this Participation Agreement and for other purposes without the prior approval of Participating Property.

21. **Entire Agreement**. This Participation Agreement comprises the entire understanding of the parties and supersedes and cancels any previous oral or written agreements between the parties with respect to the subject matter hereof. Further, any and all prior representations or agreements by any agent or representative of either party shall be null and void. Any waiver, modification or amendment to this Participation Agreement must be in writing and signed by officers of both parties. Any attempted waiver, modification or amendment not in writing and signed by officers of both parties shall be null and void.

[SIGNATURES TO FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, each Party, through its duly authorized representative, hereby agree to the terms and conditions of this Participation Agreement.

Signed for and on behalf of **Participating Property** by:

_____
InnCode

_____
Signature

_____
Name

_____
Position

_____
Date

Signed for and on behalf of **Six Continents Hotels, Inc.** by:

_____
Signature

_____
Name

_____
Position

_____
Date

EXHIBIT 1

[INSERT ORDER DETAILS]

EXHIBIT G-6-1

PARTICIPATION AGREEMENT

This Participation Agreement is entered into as of this __ day of _____, 201_ (the "**Participation Effective Date**"), by and between _____ (the "**Hotel**") and Supplier ("**Supplier**") (each, a "**Party**" and collectively, the "**Parties**"), and is entered into pursuant to and governed by the terms and conditions of the Master Services Agreement entered into by and between Six Continents Hotels, Inc. ("**IHG**") and Supplier dated _____, 201_ (the "**Agreement**"). The capitalized terms used in this Participation Agreement without definition shall have the meanings ascribed to them in the Agreement.

The Parties acknowledge and agree that the terms and conditions of this Agreement are hereby incorporated into this Participation Agreement and shall be binding on the Hotel and Supplier and shall govern the Services purchased hereunder.

PARTICIPATION AGREEMENT TERM. Unless earlier terminated in accordance with this Agreement, this Participation Agreement shall commence on the Participation Effective Date and shall continue thereafter for a period of _____(_____) months following installation and Acceptance of the Services provided hereunder.

PROVISION OF SERVICES. Supplier shall provide to Hotel the Services identified in a relevant Statement of Work and further described in this Agreement in accordance with the terms of this Participation Agreement and the delivery schedule set forth in the Services Addendum.

INVOICING AND PAYMENT. Following installation and Acceptance by the Hotel of the Services provided under this Participation Agreement, Supplier shall deliver an invoice to Hotel for the Charges due for such Services in accordance with **Section 3** (**Charges**) of this Agreement.

RIGHT TO VALIDATE INVOICES. Hotel authorizes and Supplier agrees to provide IHG with a copy of the invoices for Services provided under this Participation Agreement in order to permit IHG to review and validate that the invoices provided are current, accurate and complete. In the event that IHG's review of an invoice identifies an error or overcharge, Supplier will promptly correct the error or refund the amount of the overcharge to Hotel.

AUTHORIZATION TO NOTIFY OF DEFAULT. Hotel authorizes IHG to notify Supplier in the event that Hotel is in default of its obligations under this Agreement. Supplier shall use this information solely to evaluate the Hotel's default and shall not disclose such information to any third party or use such information for any other purpose.

WAIVER AND RELEASE. Hotel and Supplier acknowledge and agree that IHG has no obligations under this Participation Agreement and hereby waive and release IHG from and against any and all present and future claims arising out of or related to this Participation Agreement.

IN WITNESS WHEREOF, each Party, through its duly authorized representative, hereby agree to the terms and conditions of this Participation Agreement.

Signed for and on behalf of **Hotel** by:		_____ Signature _____ Name _____ Position _____ Date	
Signed for and on behalf of **Supplier** by:		_____ Signature _____ Name _____ Position _____ Date	

–Statement of Work

This schedule outlines the Statement of Work (the "SOW") that will be performed for _____ "IHG" and Program Participants by _____ (the "Supplier") as part of the Master Service Agreement dated ____ day of _____ 2015_____:

NOW THEREFORE IT IS HEREBY AGREED as follows:

1. INCORPORATION AND INTERPRETATION

1.1.1 This SOW sets forth details of Supplier's provision of certain Services to Program Participant as described herein. This SOW incorporates the Master Services Agreement between Six Continents Hotels, Inc. and Supplier dated [ ] (the "**Agreement**") and sets forth the specific terms and conditions whereby Supplier shall provide IHG and Program Participants with Services set forth in this SOW.

1.1.2 Any terms or phrases defined in the Agreement shall have the same meaning in this SOW.

2. SERVICES

The Services to be performed by Supplier are:

- Site Survey
- Implementation of the approved solution including installation, configuration, integration and testing
- Ongoing support including:
  - Remote Call Center Support and Helpdesk Services
  - Remote Network Operation Center (NOC) services, including remote network monitoring, logs, maintenance and reports
  - On-site support if problem cannot be solved remotely
  - Remote and/or on-site MACD (Move, Add, Change, Delete) support
  - On-site pre-convention/meeting/conference support (optional service)

3. CHARGES

	Quantity	Cost
Access Point		$
Switch • 24 Port • 48 Port		$
Gateway/ Firewall/ Security Device		$
UPS		$
Heatmap / Final site survey		$
Post install documentation		$
Training		$
Post survey Tuning		$
Project Management		$
NOC set up fee / Meraki dashboard		$

5. **Project Workflow.** The anticipated project workflow is attached as Exhibit E for reference.

6. **System Installation**

Program Participant shall provide the following at Program Participant's expense:

a. ***System Location.*** The room in which the System is to be located shall be secure from unauthorized access and the location intended for the System shall have adequate rack provisioning. Adequate access must be available for moving the System from the delivery truck into the installation room. Access to a table of at least 0.6 meters by 0.6 meters is to be provided for use by staff during the term of this Agreement. (Typically Supplier would be able to share the Hotels Computer/PBX room facility, known as "Communications Center"). In the case of new-build properties, Supplier will review and approve the project Communications Center drawing, as and when requested by Program Participant. In the case of existing properties, Supplier will inspect the facility, then supply a diagram of requirements/layout and seek approval of Program Participant.|

b. ***Power Supply.*** IHG Program Participant will provide power access plugs, supported by the property generator and protected with surge protection, in the Communications Center and the Risers assigned to the System at-least 14 days prior to installation of network equipment. In the case of New Hotels, IHG Program Participant will install UPS coverage for all computer components installed within the communications room and to all Floor Distributor locations. In the case of Existing Hotels, Supplier shall conduct a survey of both the Communications Center and all Riser locations as part of the Site Survey Report and submit recommendations to IHG Program Participant on the required enhancements for UPS coverage to meet Standards.

c. ***Civil Works.*** Program Participant agrees to undertake at its cost any civil work related to the deployment of infrastructure not outlined in drawings, such as core drilling, returning ceiling tiles and making good of surfaces. Supplier shall document scope of civil work in advance to Program Participant as part of the Site Survey Report.

d. ***Billing Configuration(When Required)***. Program Participant will define billing options for the configuration of the System to Supplier for initial configuration of billing options for the System. In accordance with IHG brand standards.

e. ***PMS***. Program Participant shall be liable for the installation fees of the PMS interface license and any ongoing maintenance or upgrade fees charged by the IHG Program Participant's PMS vendor. Program Participant will ensure that the record or folio description posted to the bill shall read: "IHG Connect"

f. ***Design.*** Program Participant will provide timely input to the design of the property specific configuration of the system as required by Supplier. This includes, but is not limited to, system configuration, portal design and manufactured, printed or electronic instruction materials.

g. ***Access to Installed Locations.*** Program Participant will ensure reasonable access to any installed rooms within the property for installation and maintenance purposes.

h. ***Status Updates.*** Program Participant will inform Supplier at all times of any issues that may impact construction and/or the ongoing operation of the hotel

i. ***Delivery of hardware components.*** In the event that the hardware components of the System are to be procured by a third party pursuant to the Bill of Materials Program Participant shall ensure that such hardware is delivered to the property by the date stated in the project timeline.

j. ***Internet Circuit/Bandwidth Provider.*** Program Participant shall be responsible for contracting and paying for internet connectivity for the System on a timely basis (in no event lesser than five (5) days prior to the Scheduled Start Date from an IHG Approved ISP. Program Participant shall appoint Supplier as its authorized agent in managing the local internet Supplier and shall ensure that the local ISP shall have received sufficient directions and instructions (and vice versa) so that they will perform their services in accordance with the instructions provided by the Supplier. Without prejudice to the generality of the foregoing, Program Participant shall provide such assistance as may be reasonably required by the Supplier in working with the local ISP. Circuits will be installed and operational prior to Supplier's arrival for installation activities.

k. ***Cabling Network Responsibility.*** Program Participant shall be responsible for premise wiring (horizontal and vertical cabling) unless included as part of this SOW. Based on the findings of the site-survey If Supplier is responsible for cable remediation; all cable remediation will be performed before installation of Guest Internet System. Cable infrastructure will be installed at a minimum CAT6 and terminated in patch panels in accordance with industry labeling standards.

Deliverable Materials

The following items will be delivered to the property under this SOW.

Project Status Report

a. Network Design and Site Survey Report
b. Property Completion Report and System Acceptance Checklist (includes As Built documentation)
c. Post-installation Site Survey Report
d. Monthly Operations Report, specifically, Supplier system generated report will include the following information in an agreed-to format:
e. LAN Interface Transmit Utilization
f. LAN Interface Receive Utilization
g. LAN Interface Transmit Traffic (Bytes, Packets)
h. LAN Interface Receive Traffic (Bytes, Packets)
i. LAN Interface Transmit Errors
j. LAN Interface Receive Errors

Completion Criteria

Supplier shall have fulfilled its installation obligations under this SOW when the Program Participant has signed the Acceptance Checklist indicating that the System is fully installed and

any outstanding items, if any, have been remediated or resolved. Until such time as the Acceptance Checklist is signed, the System has **not** been accepted and the Program Participant has the right to withhold any monthly payments due until the System has been accepted. Acceptance shall not be unreasonably withheld, delayed or conditioned. Acceptance shall also deemed to have occurred ten (10) days after the first commercial use of the Services unless Supplier is provided notice that the System is not accepted.

1. Supplier shall provide the Services from the following locations:

   [To be agreed between IHG Program Participant and Supplier on a case by case basis]

2. Supplier shall perform the Services and provide the Deliverables by the following dates:
   [To be agreed between IHG Program Participant and Supplier on a case by case basis]

If any Services provided by Supplier to IHG Program Participant under this Services Addendum have not been approved in writing by IHG Program Participant (by signature of this Services Addendum in the manner required below) before such Services commence, IHG Program Participant shall not be liable for any Charges, costs or expenses in relation to such Services.

The Parties signify their agreement to the terms of this Services Addendum and intention to be bound by the contents of it by signing below.

Signed for and on behalf
of _____
by:

_____
Signature

_____
Name

_____
Position

_____
Date

Signed for and on behalf
of **Supplier** by:

_____
Signature

_____
Name

_____
Position

_____
Date

EXHIBIT G-7-1

Oracle America, Inc.

Customer Account Set-up Form

Salesperson:

DO NOT FILL IN

*REQUIRED

voco - 4-15-25 FDD (391)

Bill-To Taxpayer ID Number (TIN/EIN)

DON'T FILL IN

*REQUIRED

Business Profile

Legal / Bill-To Information – Required

Dun & Bradstreet (DUNS) # DO NOT FILL IN

Full Legal Name of Company

Business Type:

☐ Sole Proprietorship ☐ Non-Profit ☐ Partnership ☐ Corporation ☐ Subsidiary ☐ Division ☐ LLC ☐ Management Company

Legal Entity Address* (this will be used as the Bill To address unless an alternate address is provided)

City	County	State	Zip	Business Phone
			-	( ) -

Accounts Payable Contact Name	Accounts Payable Contact Phone #	Accounts Payable Contact email address:
	( ) - ext	

ALTERNATE Bill To Address: (i.e. PO Box)* ***OPTIONAL – If not needed, leave blank***

City	County	State	Zip	Alternate Bill To Phone
			-	( ) -

Site Information - Required

Site Name / Trade Name	Site Identifier (store #, inn code)

SITE Address (Ship To Address - where support would be dispatched)

City	County	State	Zip	Site Phone #
			-	( ) -

Site Contact Name (please select Mr., Ms., Mrs., Dr., ect…)	Site Contact Title (i.e. Owner, General Manager, Controller, etc…)
Select One	
Site Contact Phone #	**Site Contact email address:**
( ) - ext	

Information Provided By:

Name	Title	Date

EXHIBIT G-8-1

Participation Agreement
AT&T Network Integration Services
(U.S.)

AT&T Participation Agreement

MA Reference No.: _____
AT&T Network Integration Tracking ID: GBS15200-52.1
Document Version #: **v-1.0**

Eligible Participant Legal Name ("Eligible Participant")	**AT&T Corp. ("AT&T") (designate other entity if signing entity other than AT&T Corp)**	**AT&T Branch Sales Contact Name**
EVEN Hotel Brooklyn - BXYEV	AT&T	Name: Christine Huntzinger
Eligible Participant Address	**AT&T Corp. Address and Contact**	**AT&T Branch Sales Contact Information**
46 Nevins Street Brooklyn, NY 11217 USA	One AT&T Way Bedminster, NJ 07921-0752 Contact: Master Agreement Support Team Email : mast@att.com	1057 Lenox Park Blvd NE 4th FL Atlanta, GA USA 30319 USA Email : ch0261@att.com 404-735-7698 Sales Manager: Chad Spillerman SCVP Name Michael Jenkins
Eligible Participant Contact	**AT&T Address and Contact**	**AT&T IS Contact Information**
Name: Greg Riley Title: Regional Director of Operations Telephone: 7185523800 Fax: 7185523801 Email: greg.riley@crescenthotels.com	Name: Theresa Wong Title: Program Manager Telephone: 770.750.7537 1057 Lenox Park Blvd NE Atlanta, GA 30319 USA	Name: Scott Hullett 410 W Magnolia Ave Knoxville, TN USA 37917 Telephone: 770.750.7537 Email: sh0704@att.com
Eligible Participant Billing Address		
46 Nevins Street Brooklyn, NY 11217 USA		

This Managed Fortinet Participation Agreement ("Participation Agreement"), effective as of [INSERT DATE] ("Effective Date"), is entered into by and between AT&T Corp. ("AT&T") and [INSERT OWNER'S LEGAL ENTITY NAME] d/b/a [INSERT NAME OF HOTEL] located at [INSERT ADDRESS OF HOTEL] (the "Eligible Participant"). This Participation Agreement is entered into pursuant to the certain Master Agreement Ref. No. 101513UA dated 11/26/2003, as maybe amended, (the "Customer Agreement") between AT&T and IHG ("Customer").

AT&T and Eligible Participant hereby agree as follows:

1. Eligible Participant may purchase certain Services made available under the Customer Agreement pursuant to this Participation Agreement. Additional project-specific terms are set forth in Attachments as agreed by the parties. Capitalized terms used but not defined in this Participation Agreement shall have the same meaning as in the Master Agreement which, along with the relevant Pricing Schedules, may be obtained by the Eligible Participant from Customer.

2. Eligible Participant hereby represents and warrants that, upon execution of this Participation Agreement, it is a Property under the Customer. If Customer notifies AT&T that an Eligible Participant has ceased to be a Property, AT&T shall notify the Eligible Participant that this Participation Agreement is terminated. AT&T shall have the right, prior to accepting an order from Eligible Participant, to confirm in AT&T's sole discretion Eligible Participant's creditworthiness, that Eligible Participant is current and up to date in its undisputed payment obligations to AT&T under

any existing agreement between AT&T and such entity, and require security for non-payment as reasonably requested by AT&T.

3. Eligible Participant may purchase the following Services and Vendor Software made available under the Customer Agreement:

(a) AT&T Managed Fortinet Solution;

(b) CrowdStrike Complete Vendor Software;

(c) AT&T Deployment and Management of security components per the full Scope of Work;

(d) AT&T Deployment and Management of the MSS for the front office ("FO") environment (also referred to as the Property Management System (PMS) network);

(e) AT&T Deployment and Management of the Covered Devices in the FO environment to which Base Pricing applies consists of one (1) server and five (5) workstations (described in pricing tables below);

(f) AT&T Active Directory (AD) Services as part of the AT&T FastConnect set of services;

(g) AT&T Managed Token Remote Access Services & Managed Back-up Services (One Safe Place).

(h) Other such AT&T services may not be purchased here under

4. Eligible Participant agrees to be bound by the terms and conditions of this Participation Agreement, including the terms and conditions in Attachment 1 and Attachment 2. If AT&T and Customer amend any provisions of the Customer Agreement that are to be applicable to Eligible Participant, Eligible Participant agrees to be bound by such modifications.

5. If the Customer Agreement ceases to be in effect, AT&T may at is option terminate all Services under this Participation Agreement.

6. This Participation Agreement may not be assigned by Eligible Participant without the written consent of AT&T, which consent shall not be unreasonably withheld, delayed, or conditioned. Any assignment in contravention of the foregoing shall be null and void.

7. Notices relating to Eligible Participant's performance of its obligations under this Participation Agreement shall be delivered to Eligible Participant at the following address:

Property Name: [INSERT]
Street Address: [INSERT]
City: [INSERT]
State Zip Code: [INSERT]

8. Customer shall not be responsible for Eligible Participant's performance under this Participation Agreement, and this Participation Agreement is to be considered by both Eligible Participant and AT&T as an independent agreement between Eligible Participant and AT&T. For purposes of clarification, Eligible Participant shall be solely liable for its own obligations and liabilities under this Participation Agreement.

9. AT&T shall disclose Eligible Participant's Information to Customer upon Customer's request. Such disclosures may include Eligible Participant's name, services purchased, monthly or annual usage, total billings, and payment status. AT&T may not disclose Customer's Information to Eligible Participant without Customers consent. Such disclosures may include Customer's name, services purchased, monthly or annual usage, total billings and payment status The terms of this Participation Agreement shall be deemed AT&T, Customer, and Eligible Participant's Information pursuant to the terms of the Customer Agreement.

10. If Eligible Participant, any collection of Eligible Participants and/or Customer bring separate actions against AT&T for substantially similar claims, AT&T may bring an application to consolidate, coordinate, or relate such actions, as appropriate, in a single proceeding or pending action, and Eligible Participant agrees that it shall not contest any such motion to consolidate, coordinate, or relate such actions in a single proceeding.

11. THIS PARTICIPATION AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. THIS PARTICIPATION AGREEMENT SUPERSEDES ALL PRIOR AGREEMENTS, PROPOSALS, REPRESENTATIONS, STATEMENTS OR UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, CONCERNING THE SERVICES. THIS PARTICIPATION AGREEMENT SHALL NOT BE MODIFIED OR SUPPLEMENTED BY ANY WRITTEN OR ORAL STATEMENTS, PROPOSALS, REPRESENTATIONS, ADVERTISEMENTS, SERVICE DESCRIPTIONS OR PURCHASE ORDER FORMS NOT EXPRESSLY SET FORTH IN THIS PARTICIPATION AGREEMENT.

IN WITNESS WHEREOF, AT&T and Eligible Participant have caused this Participation Agreement to be executed by their duly authorized representatives as of the date written below. This Participation Agreement is effective on the date of the last party's signature hereon.

Eligible Participant (Owner's Legal Entity Name) (by its authorized representative)	**AT&T** (by its authorized representative)
By:	By:
Name :	Name :
Title :	Title :
Date :	Date :

Attachment 1

Eligible Participant Master Agreement Terms

1. INTRODUCTION

1.1 Overview of Documents. The Participation Agreement, these Eligible Participant Master Agreement Terms, and the following additional documents (collectively, the "Agreement") shall apply to all products and services AT&T provides Eligible Participant pursuant to this Agreement ("Services") and shall continue in effect so long as Services are provided under this Agreement:

(a) Pricing Schedules. A "Pricing Schedule" means the Pricing Schedule excerpts in Attachment 2 to this Participation Agreement. A Pricing Schedule includes the Services and the pricing (including discounts and commitments, if applicable). A Statement of Work ("SOW") is attached to a Pricing Schedule, which includes the SOW term ("SOW Term").

(b) Acceptable Use Policy. AT&T's Acceptable Use Policy ("AUP") applies to (i) Services provided over or accessing the Internet and (ii) wireless (*i.e.*, cellular) data and messaging Services. The AUP can be found at att.com/aup or other locations AT&T may designate.

(c) Service Guides. The descriptions, pricing and other terms and conditions for a Service may be

1.2 Priority of Documents. The order of priority of these Eligible Participant Master Agreement Terms and the documents identified above: the applicable Pricing Schedule; these Eligible Participant Master Agreement Terms; the AUP; and Service Guides.

1.3 Revisions to Documents. Subject to Section 8.2(b) (Materially Adverse Impact), AT&T may revise Service Publications at any time.

2. AT&T DELIVERABLES

2.1 Services. AT&T will either provide or arrange to have an AT&T Affiliate provide Services to Eligible Participant and its Users, subject to the availability and operational limitations of systems, facilities, and equipment. Where required, an AT&T Affiliate authorized by the appropriate regulatory authority will be the service provider. If an applicable Service Publication expressly permits placement of an order for a Service under this Agreement without the execution of a Pricing Schedule, Eligible Participant may place such an order using AT&T's standard ordering processes (an "Order"), and upon acceptance by AT&T, the Order shall otherwise be deemed a Pricing Schedule under this Agreement for the Service ordered.

2.2 AT&T Equipment. Services may be provided using equipment owned by AT&T that is located at the Site ("AT&T Equipment"), but title to the AT&T Equipment will remain with AT&T. Eligible Participant must provide adequate space and electric power for the AT&T Equipment and keep the AT&T Equipment physically secure and free from liens and encumbrances. Eligible Participant will bear the risk of loss or damage to the AT&T Equipment (other than ordinary wear and tear), except to the extent caused by AT&T or its agents.

2.4 License and Other Terms. Software, Purchased Equipment and Third-Party Services may be provided subject to the terms of a separate license or other agreement between Eligible Participant and either the licensor, the third-party service provider or the manufacturer. Eligible Participant's execution of the Pricing Schedule for or placement of an Order for Software, Purchased Equipment or Third-Party Services is Eligible Participant's agreement to comply with such separate agreement. Unless a Service Publication specifies otherwise, AT&T's sole responsibility with respect to Third-Party Services is to place Eligible Participant's orders for Third-Party Services, except that AT&T may invoice and collect payment from Eligible Participant for the Third-Party Services.

3. ELIGIBLE PARTICIPANT'S COOPERATION

3.1 Access Right. Eligible Participant will, during its regular business hours, allow AT&T access as reasonably required for the Services to property and equipment that Eligible Participant controls and will obtain at Eligible Participant's expense for AT&T as reasonably required for the Services to property controlled by third parties such as Eligible Participant's landlord. AT&T will coordinate with and, except in an emergency, obtain Eligible Participant's written consent to enter upon Eligible Participant's property and premises, which consent shall not be unreasonably withheld. Access rights mean the right to construct, install, repair, maintain, replace, and remove access lines and network facilities and the right to use ancillary equipment space within a building for Eligible Participant's connection to AT&T's network. Eligible Participant must provide AT&T timely information and access to Eligible Participant's facilities and equipment as AT&T reasonably requires for the Services, subject to Eligible Participant's reasonable security

policies. Eligible Participant will furnish any conduit, holes, wireways, wiring, plans, equipment, space, power/utilities, and other items as AT&T reasonably requires for the Services and will obtain any necessary licenses, permits and consents (including easements and rights-of-way). Eligible Participant will have the Site ready for AT&T to perform its work according to a mutually agreed schedule.

3.2 Safe Working Environment. Eligible Participant will ensure that the location at which AT&T installs, maintains, or provides Services is a safe and suitable working environment, free of known Hazardous Materials and reasonably suitable for the Services. "Hazardous Materials" mean any substance or material capable of posing an unreasonable risk to health, safety or property or whose use, transport, storage, handling, disposal, or release is regulated by any law related to pollution, to protection of air, water, or soil or to health and safety. AT&T shall have no obligation to perform work at a location that is not a suitable and safe working environment or to handle, remove or dispose of Hazardous Materials.

3.3 Users. "User" means anyone who uses or accesses any Service provided to Eligible Participant. Eligible Participant will cause Users to comply with this Agreement and is responsible for Users' use of any Service unless expressly provided to the contrary in an applicable Service Publication.

3.4 Resale of Services. Eligible Participant may not resell the Services or rebrand the Services for resale to third parties without AT&T's prior written consent.

4. PRICING AND BILLING

4.1 Pricing and SOW Term; Terms Applicable After End of SOW Term. The prices listed in the Pricing Schedule are stabilized until the end of the SOW Term and will apply in lieu of the corresponding prices set forth in the applicable Service Publication. No promotion, credit, discount, or waiver set forth in a Service Publication will apply. Unless Pricing Schedule states otherwise, at the end of the SOW Term, Eligible Participant may continue Service (subject to any applicable notice or other requirements in a Service Publication for Eligible Participant to terminate a Service Component) under a month-to-month service arrangement at the prices, terms, and conditions in effect on the last day of the SOW Term. Under the month-to-month services arrangement, any change in price and/or terms or conditions will be mutually agreed to with an amendment to Pricing Schedule.

4.2 Additional Charges and Taxes. Prices set forth in the Pricing Schedule are exclusive of and Eligible Participant will pay all taxes (excluding those on AT&T's net income), surcharges, recovery fees, customs clearances, duties, levies, shipping charges and other similar charges (and any associated interest and penalties resulting from Eligible Participant's failure to timely pay such taxes or similar charges) relating to the sale, transfer of ownership, installation, license, use or provision of the Services, except to the extent Eligible Participant provides a valid exemption certificate prior to the delivery of Services. To the extent required by law, Eligible Participant may withhold or deduct any applicable taxes from payments due to AT&T, provided that Eligible Participant will use reasonable commercial efforts to minimize any such taxes to the extent allowed by law or treaty and will furnish AT&T with such evidence as may be required by relevant taxing authorities to establish that such tax has been paid so that AT&T may claim any applicable credit.

4.3 Billing. Unless a Service Publication specifies otherwise, Eligible Participant's obligation to pay for a Service Component begins upon availability of the Service Component to Eligible Participant. Eligible Participant will pay AT&T without deduction, setoff, or delay for any reason (except for withholding taxes as provided in Section 4.2 - Additional Charges and Taxes or in Section 4.5 - Delayed Billing; Disputed Charges). At Eligible Participant's request, but subject to AT&T's consent (which may not be unreasonably withheld or withdrawn), Eligible Participant's Affiliates may be invoiced separately, and AT&T will accept payment from such Affiliates. Eligible Participant will be responsible for payment if Eligible Participant's Affiliates do not pay charges in accordance with this Agreement. AT&T may require Eligible Participant or its Affiliates to tender a deposit if AT&T determines, in its reasonable judgment, that Eligible Participant or its Affiliates are not creditworthy, and AT&T may apply such deposit to any charges owed.

4.4 Payments. Payment is due within 30 days after the date of the invoice and must refer to the invoice number. Charges must be paid in the currency specified in the invoice. Restrictive endorsements or other statements on checks are void. Eligible Participant will reimburse AT&T for all costs associated with collecting delinquent or dishonored payments, including reasonable attorneys' fees. AT&T may charge late payment fees at the lower of (a) 1.5% per month (18% per annum), or (b) the maximum rate allowed by law for overdue payments.

4.5 Delayed Billing; Disputed Charges. Eligible Participant will not be required to pay charges for Services initially invoiced more than twelve (12) months after close of the billing period in which the charges were incurred, except for calls assisted by an automated or live operator. Separate from the preceding sentence, if Eligible Participant disputes a charge, Eligible Participant will provide notice to AT&T specifically identifying the charge and the reason it is disputed within twelve (12) months after the date of the invoice in which the disputed charge initially appears, or Eligible Participant waives the right to dispute the charge. The portion of charges in dispute may be withheld and will not be considered overdue until AT&T completes its investigation of the dispute but Eligible Participant may incur late

payment fees in accordance with Section 4.4 (Payments). Following AT&T's notice of the results of its investigation to Eligible Participant, payment of all properly due charges and properly accrued late payment fees must be made within ten (10) business days. Bona fide disputes concerning invoices shall be addressed by the appropriate AT&T billing dispute center pursuant to AT&T's established methods and procedures, after the dispute is referred to the billing dispute center by either Eligible Participant or Eligible Participant's account team. Following AT&T's notice of the results of its investigation to Eligible Participant, payment of all properly due charges must be made within ten (10) business days and AT&T will reverse any late payment fees that were invoiced in error.

4.6 Credit Terms. AT&T retains a lien and purchase money security interest in each item of Purchased Equipment and Vendor Software until Eligible Participant pays all sums due. AT&T is authorized to sign and file a financing statement to perfect such security interest.

5. CONFIDENTIAL INFORMATION

5.1 Confidential Information. Confidential Information means: (a) information the parties or their Affiliates share with each other in connection with this Agreement or in anticipation of providing Services under this Agreement (including pricing or other proposals), but only to the extent identified as Confidential Information in writing; and (b) except as may be required by applicable law or regulation, the terms of this Agreement.

5.2 Obligations. A disclosing party's Confidential Information will, for a period of three (3) years following its disclosure to the other party (except in the case of software, for which the period is indefinite): (a) not be disclosed, except to the receiving party's employees, agents and contractors having a need-to-know (but only if such agents and contractors are not direct competitors of the other party and agree in writing to use and disclosure restrictions as restrictive as this Section 5) or to the extent authorized to be revealed by law, governmental authority or legal process (but only if such disclosure is limited to that which is so authorized and prompt notice is provided to the disclosing party to the extent practicable and not prohibited by law, governmental authority or legal process); (b) be held in confidence; and (c) be used only for purposes of using the Services, evaluating proposals for new services or performing this Agreement (including in the case of AT&T to detect fraud, to check quality and to operate, maintain and enhance the network and Services).

5.3 Exceptions. The restrictions in this Section 5 will not apply to any information that: (a) is independently developed by the receiving party without use of the disclosing party's Confidential Information; (b) is lawfully received by the receiving party free of any obligation to keep it confidential; or (c) becomes generally available to the public other than by breach of this Agreement.

5.4 Privacy. Each party is responsible for complying with the privacy laws applicable to its business. AT&T shall require its personnel, agents and contractors around the world who process Eligible Participant Personal Data to protect Eligible Participant Personal Data in accordance with the data protection laws and regulations in the jurisdiction, territory or region in which the Services are provided to or consumed by Eligible Participant that are applicable to AT&T's business. If Eligible Participant does not want AT&T to comprehend Eligible Participant data to which it may have access in performing Services, AT&T strongly recommends that Eligible Participant encrypt such data so that it will be unintelligible. Eligible Participant is responsible for obtaining consent from and giving notice to its Users, employees and agents regarding Eligible Participant's and AT&T's collection and use of the User, employee, or agent information in connection with a Service. Eligible Participant will only make accessible or provide Eligible Participant Personal Data to AT&T when it has the legal authority to do so. Unless otherwise directed by Eligible Participant in writing, if AT&T designates a dedicated account representative as Eligible Participant's primary contact with AT&T, Eligible Participant authorizes that representative to discuss and disclose Eligible Participant's proprietary network information to any employee or agent of Eligible Participant without a need for further authentication or authorization.

5.5 Upon Termination. Upon termination or expiration of the Agreement for whatever reason, or upon request by the other party, each party shall immediately cease to handle such other party's Confidential Information and shall promptly return to the other party all such Confidential Information, or destroy the same, in accordance with such instructions as may be given by the other party at that time. The obligations set out in this section shall remain in force notwithstanding termination or expiration of the Agreement. The parties agree that each party has and shall maintain ownership of any intellectual property rights in its Confidential Information and no such rights will transfer in the absence of an appropriate license or other written agreement signed by both parties.

6. LIMITATIONS OF LIABILITY AND DISCLAIMERS

6.1 Limitation of Liability.

(a) EITHER PARTY'S ENTIRE LIABILITY AND THE OTHER PARTY'S EXCLUSIVE REMEDY FOR DAMAGES ON ACCOUNT OF ANY CLAIM ARISING OUT OF AND NOT DISCLAIMED UNDER THIS AGREEMENT SHALL BE:

(i) FOR BODILY INJURY, DEATH OR DAMAGE TO REAL PROPERTY OR TO TANGIBLE PERSONAL PROPERTY PROXIMATELY CAUSED BY A PARTY'S NEGLIGENCE, DIRECT DAMAGES;

(ii) FOR BREACH OF SECTION 5 (Confidential Information), SECTION 10.1 (Publicity) OR SECTION 10.2 (Trademarks), PROVEN DIRECT DAMAGES;

FOR ANY THIRD-PARTY CLAIMS, THE REMEDIES AVAILABLE UNDER SECTION 7 (Third Party Claims);

(iv) FOR CLAIMS ARISING FROM THE OTHER PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, PROVEN DAMAGES; OR

(v) FOR CLAIMS OTHER THAN THOSE SET FORTH IN SECTION 6.1(a)(i)-(iv), PROVEN DIRECT DAMAGES NOT TO EXCEED, ON A PER CLAIM OR IN THE AGGREGATE BASIS DURING ANY NINE (9) MONTH PERIOD , AN AMOUNT EQUAL TO THE TOTAL NET CHARGES INCURRED BY ELIGIBLE PARTICIPANT FOR THE AFFECTED SERVICE IN THE RELEVANT COUNTRY DURING THE NINE (9) MONTHS PRECEDING THE MONTH IN WHICH THE CLAIM AROSE

(b) EXCEPT AS SET FORTH IN SECTION 7 (Third Party Claims) OR IN THE CASE OF A PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, RELIANCE OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST PROFITS, ADVANTAGE, SAVINGS OR REVENUES OR FOR INCREASED COST OF OPERATIONS.

(c) THE LIMITATIONS IN THIS SECTION 6 SHALL NOT LIMIT ELIGIBLE PARTICIPANT'S RESPONSIBILITY FOR THE PAYMENT OF ALL PROPERLY DUE CHARGES UNDER THIS AGREEMENT.

6.2 Disclaimer of Liability. AT&T WILL NOT BE LIABLE FOR ANY DAMAGES ARISING OUT OF OR RELATING TO: INTEROPERABILITY, ACCESS OR INTERCONNECTION OF THE SERVICES WITH APPLICATIONS, DATA, EQUIPMENT, SERVICES, CONTENT OR NETWORKS PROVIDED BY ELIGIBLE PARTICIPANT OR THIRD PARTIES; SERVICE DEFECTS, SERVICE LEVELS, DELAYS OR ANY SERVICE ERROR OR INTERRUPTION, INCLUDING INTERRUPTIONS OR ERRORS IN ROUTING OR COMPLETING ANY 911 OR OTHER EMERGENCY RESPONSE CALLS OR ANY OTHER CALLS OR TRANSMISSIONS (EXCEPT FOR CREDITS EXPLICITLY SET FORTH IN THIS AGREEMENT); LOST OR ALTERED MESSAGES OR TRANSMISSIONS; OR UNAUTHORIZED ACCESS TO OR THEFT, ALTERATION, LOSS OR DESTRUCTION OF ELIGIBLE PARTICIPANT'S (OR ITS AFFILIATES', USERS' OR THIRD PARTIES') APPLICATIONS, CONTENT, DATA, PROGRAMS, INFORMATION, NETWORKS OR SYSTEMS.

6.3 Disclaimer of Warranties. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE AGREEMENT, AT&T MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED. In addition, AT&T SPECIFICALLY DISCLAIMS ANY REPRESENTATION OR WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT AND SPECIFICALLY DISCLAIMS ANY WARRANTY ARISING BY USAGE OF TRADE OR BY COURSE OF DEALING. FURTHER, AT&T MAKES NO REPRESENTATION OR WARRANTY THAT TELEPHONE CALLS OR OTHER TRANSMISSIONS WILL BE ROUTED OR COMPLETED WITHOUT ERROR OR INTERRUPTION (INCLUDING CALLS TO 911 OR ANY SIMILAR EMERGENCY RESPONSE NUMBER) AND MAKES NO GUARANTEE REGARDING NETWORK SECURITY, THE ENCRYPTION EMPLOYED BY ANY SERVICE, THE INTEGRITY OF ANY DATA THAT IS SENT, BACKED UP, STORED OR SUBJECT TO LOAD BALANCING OR THAT AT&T'S SECURITY PROCEDURES WILL PREVENT THE LOSS OR ALTERATION OF OR IMPROPER ACCESS TO ELIGIBLE PARTICIPANT'S DATA AND INFORMATION.

6.4 Application and Survival. The disclaimer of warranties and limitations of liability set forth in this Agreement will apply regardless of the form of action, whether in contract, equity, tort, strict liability or otherwise, of whether damages were foreseeable and of whether a party was advised of the possibility of such damages and will apply so as to limit the liability of each party and its Affiliates and their respective employees, directors, subcontractors and suppliers. The limitations of liability and disclaimers set out in this Section 6 will survive failure of any exclusive remedies provided in this Agreement.

7. THIRD PARTY CLAIMS

7.1 AT&T's Obligations. AT&T agrees at its expense to defend and indemnify or and either to settle any third-party claim against Eligible Participant, its Affiliates and its and their respective employees, and directors or to pay all damages that a court finally awards against such parties for a claim alleging that a Service, provided to Eligible Participant under this Agreement infringes any patent, trademark, copyright or trade secret, but not where the claimed infringement arises out of or results from: (a) Eligible Participant's, its Affiliate's or a User's content; (b) modifications to the Service by Eligible Participant, its Affiliate or a third party, or combinations of the Service with any non-AT&T services or products by Eligible Participant or others; (c) AT&T's adherence to Eligible Participant's or its Affiliate's written requirements; or (d) use of a Service in violation of this Agreement.

7.2 Eligible Participant's Obligations. Eligible Participant agrees at its expense to defend and either to settle any third-party claim against AT&T, its Affiliates and its and their respective employees, directors, subcontractors and suppliers or to pay all damages that a court finally awards against such parties for a claim that: (a) is in connection with Eligible Participant's, its Affiliate's or a User's access to or use of the Services and the claim is not the responsibility of AT&T under Section 7.1; (b) alleges a material breach by Eligible Participant, its Affiliate or a User of a Software license agreement.

7.3 Infringing Services. Whenever AT&T is liable under Section 7.1, AT&T may at its option either procure the right for Eligible Participant to continue using, or may replace or modify, the Service so that it is non-infringing.

7.4 Notice and Cooperation. The party seeking defense or settlement of a third-party claim under this Section 7 will provide notice to the other party promptly upon learning of any claim for which defense or settlement may be sought, but failure to do so will have no effect except to the extent the other party is prejudiced by the delay. The party seeking defense or settlement will allow the other party to control the defense and settlement of the claim and will reasonably cooperate with the defense. The defending party will use counsel reasonably experienced in the subject matter at issue and will not settle a claim without the written consent of the party being defended, which consent will not be unreasonably withheld or delayed, except that no consent will be required to settle a claim where relief against the party being defended is limited to monetary damages that are paid by the defending party under this Section 7.

8. SUSPENSION AND TERMINATION

8.1 Termination of Agreement. This Agreement may be terminated immediately upon notice by either party if the other party becomes insolvent, ceases to be a Property (in the case of Eligible Participant), is the subject of a bankruptcy petition, enters receivership or any state insolvency proceeding or makes an assignment for the benefit of its creditors.

8.2 Termination or Suspension. The following additional termination provisions apply:

(a) Material Breach. If either party fails to perform or observe any material warranty, representation, term or condition of this Agreement, including non-payment of charges, and such failure continues unremedied for 30 days after receipt of notice, the aggrieved party may terminate (and AT&T may suspend and later terminate) the affected Service Components and, if the breach materially and adversely affects the entire Agreement, terminate (and AT&T may suspend and later terminate) the entire Agreement.

(b) Materially Adverse Impact. If AT&T revises a Service Publication, the revision has a materially adverse impact on Eligible Participant and AT&T does not affect revisions that remedy such materially adverse impact within thirty (30) days after receipt of notice from Eligible Participant, then Eligible Participant may, as Eligible Participant's sole remedy, elect to terminate the affected Service Components on thirty (30) days' notice to AT&T, given not later than ninety (90) days after Eligible Participant first learns of the revision to the Service Publication. "Materially adverse impacts" do not include changes to non-stabilized pricing, changes required by governmental authority, or assessment of or changes to additional charges such as surcharges or taxes.

(c) Fraud or Abuse. AT&T may terminate or suspend an affected Service or Service Component and, if the activity materially and adversely affects the entire Agreement, terminate or suspend the entire Agreement, immediately by providing Eligible Participant with as much advance notice as is reasonably practicable under the circumstances if Eligible Participant, in the course of breaching the Agreement: (i) commits a fraud upon AT&T; (ii) uses the Service to commit a fraud upon another party; (iii) unlawfully uses the Service; (iv) abuses or misuses AT&T's network or Service; or (v) interferes with another customer's use of AT&T's network or services.

(d) Infringing Services. If the options described in Section 7.3 (Infringing Services) are not reasonably available, AT&T may at its option terminate the affected Services or Service Components without liability other than as stated in Section 7.1 (AT&T's Obligations).

(e) Hazardous Materials. If AT&T encounters any Hazardous Materials at the Site, AT&T may terminate the affected Services or Service Components or may suspend performance until Eligible Participant removes and remediates the Hazardous Materials at Eligible Participant's expense in accordance with applicable law.

8.3 Effect of Termination.

(a) Termination or suspension by either party of a Service or Service Component does not waive any other rights or remedies a party may have under this Agreement and will not affect the rights and obligations of the parties regarding any other Service or Service Component.

(b) If a Service or Service Component is terminated, Eligible Participant will pay all amounts incurred prior to the effective date of termination.

(c) In the event Eligible Participant ceases to a Property, Eligible Participant and AT&T may enter into their own independent agreement for AT&T's products and/or services.

8.4 Termination Charges.

(a) If Eligible Participant terminates this Agreement or an affected Service or Service Component for cause in accordance with the Agreement or if AT&T terminates a Service or Service Component other than for cause, Eligible Participant will not be liable for the termination charges set forth in this Section 8.4.

(b) If Eligible Participant or AT&T terminates a Service or Service Component with fewer than forty-five (45) days prior to Cutover , Eligible Participant (i) will pay any pre-Cutover termination or cancellation charges set out in a Pricing Schedule or Service Publication, or (ii) in the absence of such specified charges, will reimburse AT&T for time and materials incurred prior to the effective date of termination, plus any third party charges resulting from the termination.

(c) In the event Eligible Participant terminates the Managed Fortinet Solution at any given Site after Cutover and prior to the end of the Minimum Payment Period for any reason other than for AT&T's material breach, Eligible Participant must provide AT&T at least ninety (90) days' prior written notice and is responsible to pay for all Services rendered, expenses incurred hereunder, termination charges equal to the total Monthly Recurring Charges for the AT&T Equipment and AT&T MSS and Managed Fortinet Solution and for any applicable charges associated with early termination multiplied by the number of months remaining in the Minimum Payment Period, at the time of termination.

9. IMPORT/EXPORT CONTROL

Neither party will use, distribute, transfer, or transmit any equipment, services, software, or technical information provided under this Agreement (even if incorporated into other products) except in compliance with all applicable import and export laws, conventions, and regulations.

10. MISCELLANEOUS PROVISIONS

10.1 Publicity. Neither party may issue any public statements or announcements relating to the terms of this Agreement or to the provision of Services without the prior written consent of the other party.

10.2 Trademarks. Each party agrees not to display or use, in advertising or otherwise, any of the other party's trade names, logos, trademarks, service marks or other indicia of origin without the other party's prior written consent, which consent may be revoked at any time by notice.

10.3 Independent Contractor. Each party is an independent contractor. Neither party controls the other, and neither party nor its Affiliates, employees, agents or contractors are Affiliates, employees, agents or contractors of the other party.

10.4 Force Majeure. Neither. Except for payment of amounts due (unless Customer is unable to pay is caused because of a Force Majeure event), neither party will be liable for any delay, failure in performance, loss or damage due to fire, explosion, cable cuts, power blackout, earthquake, flood, strike, embargo, labor disputes, acts of civil or military authority, war, terrorism, acts of God, pandemic, civil unrest, acts of a public enemy, acts or omissions of carriers or suppliers, unanticipated acts of regulatory or governmental agencies or other causes beyond such party's reasonable control. If the force majeure event continues to prevent the performance of any Service Component for more than ninety (90) days, Eligible Participant may, upon notice to AT&T during the continuance of the force majeure event, terminate such Service Component so affected without liability for any termination fees, shortfall charges or cancellation charges.

10.5 Amendments and Waivers. Any supplement to or modification or waiver of any provision of this Agreement must be in writing and signed by authorized representatives of both parties. A waiver by either party of any breach of this Agreement will not operate as a waiver of any other breach of this Agreement.

10.6 Assignment and Subcontracting.

(a) Eligible Participant may, without AT&T's consent but upon notice to AT&T, assign in whole or relevant part its rights and obligations under this Agreement to an Eligible Participant Affiliate. AT&T may, without Eligible Participant's consent but upon notice to Eligible Participant , assign in whole or relevant part its rights and obligations under this Agreement to an AT&T Affiliate. In no other case may this Agreement be assigned by either party without the prior written consent of the other party (which consent will not be unreasonably withheld or delayed). In the case of any assignment, the assigning party shall remain financially responsible for the performance of the assigned obligations.

(b) AT&T may subcontract to an Affiliate or a third party work to be performed under this Agreement but will remain responsible for all work performed by such subcontractor and shall ensure that such subcontractor complies with the obligations of this Participation Agreement.

(c) In countries where AT&T does not have an Affiliate to provide a Service, AT&T may assign its rights and obligations related to such Service to a local service provider, but AT&T will remain responsible to Eligible Participant for such obligations r. In certain countries, Eligible Participant may be required to contract directly with the local service provider, in which case, AT&T agrees to provide reasonable assistance to Eligible Participant in identifying and contracting with such local service provide.

10.7 Severability. If any portion of this Agreement is found to be invalid or unenforceable or if, notwithstanding Section 10.11 (Governing Law), applicable law mandates a different interpretation or result, the remaining provisions will remain in effect and the parties will negotiate in good faith to substitute for such invalid, illegal or unenforceable provision a mutually acceptable provision consistent with the original intention of the parties.

10.8 Injunctive Relief. Nothing in this Agreement is intended to or should be construed to prohibit a party from seeking preliminary or permanent injunctive relief in appropriate circumstances from a court of competent jurisdiction.

10.9 Legal Action. Any legal action arising in connection with this Agreement must be filed within five (5) years after the cause of action accrues, or it will be deemed time-barred and waived. The parties waive any statute of limitations to the contrary.

10.10 Notices. Any required notices under this Agreement shall be in writing and shall be deemed validly delivered if made by hand (in which case delivery will be deemed to have been effected immediately), or by overnight mail (in which case delivery will be deemed to have been effected one (1) business day after the date of mailing), or by first class pre-paid post (in which case delivery will be deemed to have been effected five (5) days after the date of posting), or by facsimile or electronic transmission (in which case delivery will be deemed to have been effected on the day the transmission was sent). Any such notice shall be sent to the office of the recipient set forth on the cover page of this Agreement or to such other office or recipient as designated in writing from time to time.

10.11 Governing Law and Forum Selection. This Agreement will be governed by the law of the State of Delaware , without regard to its conflict of law principles, unless a regulatory agency with jurisdiction over the applicable Service applies a different law. The United Nations Convention on Contracts for International Sale of Goods will not apply. Any action arising from or relating to this Agreement or its claimed breach shall be commenced and prosecuted only in the Supreme Court of the State of New York located in New York County, New York, and the parties consent to the exercise of personal jurisdiction by and exclusive venue in such court,

10.12 Compliance with Laws. Each party will comply with all applicable laws and regulations and with all applicable orders issued by courts or other governmental bodies of competent jurisdiction.

10.13 No Third Party Beneficiaries. This Agreement is for the benefit of Eligible Participant and AT&T and does not provide any third party (including Users) the right to enforce it or to bring an action for any remedy, claim, liability, reimbursement or cause of action or any other right or privilege.

10.14 Survival. The respective obligations of Eligible Participant and AT&T that by their nature would continue beyond the termination or expiration of this Agreement, including the obligations set forth in Section 5 (Confidential Information), Section 6 (Limitations of Liability and Disclaimers) and Section 7 (Third Party Claims), will survive such termination or expiration.

10.15 Agreement Language. The language of this Agreement is English. If there is a conflict between this Agreement and any translation, the English version will take precedence.

10.16 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to its subject matter. Except as provided in Section 2.4 (License and Other Terms), this Agreement supersedes all other agreements, proposals, representations, statements, and understandings, whether written or oral, concerning the Services or the rights and obligations relating to the Services, and the parties disclaim any reliance thereon. This Agreement will not be modified or supplemented by any written or oral statements, proposals, representations, advertisements, service descriptions or purchase order forms not expressly set forth in this Agreement.

11. CODE OF CONDUCT

AT&T maintains a Code of Conduct and a Code of Business Ethics ("Codes") and requires that its employees participate in annual compliance training. The Codes are generally consistent with IHG's Supplier Code of Conduct. AT&T shall maintain the Codes throughout the term of the Agreement and adhere to such Codes.

12. FCPA AND BRIBERY ACT

AT&T maintains a Foreign Corrupt Practices Act and Anti-Bribery Compliance Policy, as well as an Anti-Money Laundering Policy ("Policies") and requires that its employees participate in annual compliance training. The Policies are consistent with and reflective of the United States Foreign Corrupt Practices Act of 1977, as amended and the UK Bribery Act of 2010. AT&T shall maintain the Policies throughout the term of the Agreement and adhere to such Policies.

13. OFAC AND OTHER SANCTIONS

13.1 In performing the obligations set forth in this Agreement, Eligible Participant and AT&T each shall at all times comply with the economic and trade sanctions administered by the United States Office of Foreign Assets Control ("OFAC"), including all Executive Orders and implementing regulations.

13.2 Eligible Participant and AT&T each represents and warrants that it is not controlled by any person or entity identified by OFAC's Specially Designated Nationals and Blocked Persons List ("OFAC Blocked Persons") or organized under the laws of a jurisdiction subject to comprehensive OFAC sanctions.

13.3 Eligible Participant and AT&T each represents and warrants that in fulfilling its obligations under this Agreement it shall not allow, facilitate, or effect any transactions or services, including without limitation provision of any travel, hospitality, or ancillary services, to any persons in violation of any United States economic and trade sanctions.

13.4 No part of any payments made under this Agreement will constitute funds obtained: (i) on behalf of any OFAC Blocked Persons, directly or indirectly, in connection with any investments, transactions, dealings, or contact with any OFAC Blocked Persons, or (ii) in violation of any United States economic sanctions and/or embargo unless AT&T is specifically authorized by OFAC to engage in transaction or dealings with such OFAC Blocked Persons or exempted by OFAC from complying with such United States economic sanctions and/or embargo.

14. DEFINITIONS

"**Affiliate**" of a party means any entity that controls, is controlled by or is under common control with such party.

"**API**" means an application program interface used to make a resource request from a remote implementer program. An API may include coding, specifications for routines, data structures, object classes, and protocols used to communicate between programs.

"**AT&T Software**" means software, including APIs, and all associated written and electronic documentation and data owned by AT&T and licensed by AT&T to Eligible Participant. AT&T Software does not include software that is not furnished to Eligible Participant.

"**Baselining**" means bringing the Microsoft (MS) operating system and Internet Explorer of the Covered Devices (defined below) to a mutually agreed upon, known, current state of patching and security policies as defined in the Proof of Concept project that preceded this scope of work.

"**Covered Devices**" means Eligible Participant Equipment generally consisting of one (1) server and five (5) workstations (which would constitute six Covered Devices) attached to the front-office network. AT&T will not provide the Security Services on any third party maintained equipment such as VoIP servers, Call Accounting Systems, etc.

"Customer" means IHG

"Eligible Participant Personal Data" means information that identifies an individual that Eligible Participant directly or indirectly makes accessible to AT&T and that AT&T collects, holds or uses in the course of providing the Services.

"**Cutover**" means the date Eligible Participant's obligation to pay for Services begins.

"**Effective Date**" of this Agreement means the date on which the last party signs the Agreement unless a later date is required by regulation or law.

"Eligible Participant" has the meaning set forth in the Master Agreement.

"Managed Security Services" or **"MSS"** means security-related Services provided by AT&T to Eligible Participants as defined in the scope of work below.

"Minimum Payment Period" or **"MPP"** means the **sixty (60) months** an Eligible Participant is required to pay recurring charges for the MSS. The Minimum Payment period for an Eligible Participant begins on the commencement date of the applicable MSS term.

"**Minimum Retention Period**" or **"MRP"** means the Minimum Retention Period identified for a Service Component in the Pricing Schedule or Service Publication during which Eligible Participant is required to maintain service to avoid the payment (or repayment) of certain credits, waived charges or amortized charges.

"**Property(ies)**" means any hotel(s), resort(s), and other temporary lodging facility(ies) that is/are either (i) owned or controlled by Customer (or Customer affiliate), (ii) operated or managed by Customer (or a Customer affiliate) pursuant

to a property management agreement (or similar contractual arrangement) with the owner(s) thereof, (iii) the subject of a franchise or similar agreement with Customer (or a Customer affiliate) pursuant to which Customer (or a Customer affiliate) has authorized the site or facility to operate under one of Customer's (or a Customer affiliate's) trademarks or trade names, or (iv) subject to a joint venture arrangement whereby Customer (or a Customer affiliate) maintains an ownership interest of twenty percent (20%) or higher in such joint venture.

"**Purchased Equipment**" means equipment or other tangible products Eligible Participant purchases under this Agreement, including any replacements of Purchased Equipment provided to Eligible Participant. Purchased Equipment also includes any internal code required to operate such Equipment. Purchased Equipment does not include Software but does include any physical media provided to Eligible Participant on which Software is stored.

"**Service Component**" means an individual component of a Service provided under this Agreement.

"**Service Publications**" means Service Guides and the AUP.

"**Site**" means a physical location, including Eligible Participant's collocation space on AT&T's or its Affiliate's or subcontractor's property, where AT&T installs or provides a Service.

"**Software**" means AT&T Software and Vendor Software.

"SOW Term" means the five (5) year period after the Effective Date of this Participation Agreement until all Services provided hereunder expire or are otherwise terminated according to the terms herein. Each new Eligible Participant must execute a Participation Agreement with an initial minimum term.

"**Third-Party Service**" means a service provided directly to Eligible Participant by a third party under a separate agreement between Eligible Participant and the third party.

"**Third Party Software**" means Software that Customer and or Eligible Participant licenses from a third party.

"**Vendor Software**" means software, including APIs, and all associated written and electronic documentation and data AT&T furnishes to Eligible Participant, other than AT&T Software.

Attachment 2

PS Excerpts

Statement of Work

1. Scope

AT&T will provide a managed Fortinet solution to Eligible Participant. In addition, AT&T will resell the CrowdStrike Complete Third-Party Software ("CrowdStrike Complete") to Eligible Participant and will provide management of the Third-Party Software as Customer requires. AT&T will provide other managed security components per the full Customer scope of work detailed on Customer's portal Merlin and is incorporated herein by reference. In order to access the full scope of work for this project, login to Customer's portal Merlin and type "AT&T SOW" in the search box. Any changes and associated pricing changes will require execution via the Change Control process described in Section 7 below**.** AT&T will deploy and manage the MSS for the Eligible Participant's front office ("FO") environment (also referred to as the Property Management System (PMS) network); the Covered Devices in the FO environment to which Base Pricing applies consists of one (1) server and five (5) workstations (described in pricing tables below). AT&T shall optionally provide Active Directory (AD) Services as part of the AT&T FastConnect set of services, as detailed in the full scope of work to meet Customer's requirement for access control services and high-quality support for the access control management solution. AT&T shall optionally provide the Managed Token Remote Access Services & Managed Back-up Services (One Safe Place) as defined in the full scope of work.

2. AT&T Responsibilities

The full scope of work for this project which details AT&T responsibilities is located on Customer's portal Merlin. In order to access the full scope of work for this project, login to Customer's portal Merlin and type "AT&T SOW" in the search box.

3. Service Level Objectives

The full scope of work for this project which details Service Level Objectives is located on Customer's portal Merlin. In order to access the full scope of work for this project, login to Customer's portal Merlin and type "AT&T SOW" in the search box.

4. Service Hours

The Services provided hereunder shall be performed Monday through Friday, 9:00 a.m. to 5:00 p.m., local time, excluding designated AT&T holidays ("Normal Business Hours" or "NBH"), unless otherwise noted herein.

AT&T Designated Holidays in the US	Date Observed
New Year's Day	January 1
Martin Luther King Jr. Day	January 17
Presidents' Day	February 21
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	1st Monday in September
Thanksgiving Day	4th Thursday in November
Day after Thanksgiving	4th Friday in November
Christmas Day	December 25

Hourly rates for Services provided after NBH ("aNBH") are set forth below; AT&T will invoice Customer at this rate for any such Services requested in writing by Customer.

5. Eligible Participant & Customer Responsibilities

To manage the activities outlined in this Participation Agreement that are related to the Customer's project on time and within financial limitations, Customer and Eligible Participant assigned roles and responsibilities must be fulfilled in an effective and efficient manner. Customer is responsible for providing required information to enable AT&T to complete this project. Customer should assure that all Sites are in compliance with Customer's Corporate IT Standards and are capable of accepting and operating properly with the AT&T MSS.

(a) Customer will provide AT&T with reasonable access to Customer premises, or arrange Eligible Participants to provide access, during Normal Business Hours as needed and shall provide office space to include desks, chairs, as well as access to printers, copiers, and phone lines while on-site at no charge. In addition, AT&T

may conduct the research and other work from a remote location. Customer or Eligible Participant will provide authorized personnel on-site during any software installation and Testing.

(b) For each Eligible Participant Site to be deployed, Customer will provide Local Site Contact name, telephone number, address, and email for both a primary and backup local Site Contact to facilitate local scheduling issues, Equipment delivery confirmation, and other Site-specific details.

(c) Eligible Participant will perform all Site preparation activities including, but not limited to, power, core drilling, ventilation, proper environmental as per the Equipment manufacturer's specifications.

(d) Eligible Participant will provide to AT&T the login and password information to all equipment that is related to the MSS provided in this SOW, including both basic access and modification access.

(e) Eligible Participant will assume responsibility for the network infrastructure upon completion of the Services provided in this SOW.

(f) Eligible Participant is responsible to reboot the Covered Device after the system receives patches from the patching application. AT&T cannot be held responsible for the Service performance if the Covered Devices are not rebooted after a patch is loaded.

(g) Eligible Participant will provide IP connectivity to the primary interfaces of the software at all other locations.

6. Project Governance

6.1 Change Control Process

(a) AT&T,Customer, and Eligible Participant will manage all changes to this SOW through a written change request process ("Change Control Process"). Either party must submit change requests via email, and the other party respond via email.

(b) The party requesting the change must submit a written request (email is acceptable) to the other party and the receiving party shall issue a written response (email is acceptable) within five (5) business days of the receipt of the request, including whether the receiving party accepts or rejects the request and/or any changes to the terms and conditions. Once mutually agreed, the parties must document such agreement via email.

6.2 Engagement Contacts

(a) Customer:

- Malvin Eanes
- Manager Network & Security Operations
- Three Ravinia Drive Atlanta GA 30346
- 678-746-0069 (malvin.eanes@ihg.com)

(b) AT&T:

- Scott Hullett
- Network Integration Engagement Manager
- 410 W. Magnolia Ave, Knoxville, TN 37917
- 404-281-2942 (sh0704@att.com)

7. Charges

7.1 Schedule of Charges

AT&T will invoice the MRC listed in Schedule 1, for the Minimum Payment Period.

Schedule 1	# of Servers & Workstations	Term (Months)	Platform/Services	Pricing Monthly Recurring Charge
Fortinet 61F		60 mos/per site	AT&T Equipment – Fortinet 61F	$42.57 USD per Site
Base Rate **(1-6 Devices)**	Up to: - 1 Server - 5 PC's	60 mos/ per Site	AT&T MSS and Managed Fortinet Solution • Assumes up to 1 Server and 5 Workstations • Baselining/Conversion	$102.00 USD per Site
Additional PC's or Servers**		60 mos/ per Site	AT&T MSS – over 6 devices • Per device over 6 devices Baselining/Conversion	$20.00 USD per device

FastConnect Consolidated Billing Charge		60 mos/ per Site	• Consolidated custom billing of multiple FastConnect suite of services on a single invoice presented to each Site on a monthly basis	$5.00 USD per Site

Set-up Charges (Non-Recurring)	**Set-up Charges for New Managed Fortinet Locations**	**Pricing One Time Charges**
	• Managed Fortinet Enablement Charge	$1,200.00 USD per location

Optional Managed Active Directory Services:

Active Directory (AD) (1-6 Devices)	Up to: - 1 Server - 5 PC's -10 Users	60 mos/ per Site	• Active Directory Deployment • Managed MS Active Directory • Automated Password Reset • Tier 2/3 Helpdesk Support	$17.75 per Site
Additional AD PC's or Servers		60 mos/ per Site	• Per device over 6 devices • Managed MS Active Directory • Automated Password Reset	$2.00 per device
Add'l Active Directory Users		60 mos	• Per User over 10 Users per Site • Managed MS Active Directory • Automated Password Reset	$1.25 per User

Optional Managed Token Subscription Fee (Remote Access):

Remote Access Charges	**Remote Access Charges**	**Pricing Monthly Charges**
	• Managed Token Subscription Charge	$4.95 USD per month, per User
	• Managed FortiClient	$7.95 USD per month, per User

Optional Managed Remote Back-up Services (One-Safe Place):

One Safe Place	**Data Size (GB)**	**Term (Months)**	**Platform/Services**	**Pricing (Monthly Recurring Charge (MRC)**
	5-20	60 mos/ per Site	• AT&T Managed Remote Back-up Services	$29.00 per Site
	21-49	60 mos/ per Site	• AT&T Managed Remote Back-up Services	$32.00 per Site
	50-89	60 mos/ per Site	• AT&T Managed Remote Back-up Services	$38.00 per Site
	90-110	60 mos/ per Site	• AT&T Managed Remote Back-up Services	$62.00 per Site
	111-140	60 mos/ per Site	• AT&T Managed Remote Back-up Services	$68.00 per Site
	Add'l 100 GB		• Add'l GB (per 100GB)	$35/per each add'l 100GB
Optional Pricing			**Services**	**Pricing (Non-Recurring Charge (NRC)**

USB Restore			• Unreturned USB Drive	$170.00
USB Shipping			• Shipping – Same Day (Next available flight) • Shipping – Next Day (by 9AM)	$300.00 $60.00
Data Return upon Termination			• Data Return on Termination	$400.00

Additional Charges:

Set-up Charges	Set-up Charges per event	Pricing One Time Charges
	• Broadband Support Registration	$50.00 per location
	• Security Set-up and Configuration Fee	$89.00 per Site

Other Charges	Other One Time Charges per event	Pricing One Time Charges
	• Time and Materials Pricing/Hourly (Normal Business Hours)	$200.00 per Hour
	• Time and Materials Pricing/Hourly (Outside of Normal Business Hours)	$275.00 per Hour

Descrption	Pricing Monthly Charges
• Additional Hourly Rate – On-Site – NBH – billed in 15 min increments (US)	$115.00 USD/hour
• Site Reschedule/Customer Not Ready	$300.00 USD/incident
• Site Revisit	$335.00 USD/incident
• Site installation expedite – less than 5 business days	$200.00 USD
• Next Business Day – On-site support 2 hours (US)	$500.00 USD
• Next Business Day – On-site support hourly beyond 2 hours (US)	$250.00 USD/hour

7.2 Pricing Terms and Conditions

(a) AT&T will charge the rates in the Schedules above for a maximum of twenty (20) additional PC's or servers for up to seventy-five (75) additional Covered Devices per Eligible Participant. If an Eligible Participant has more than seventy-five (75) additional Covered Devices, then, upon request, AT&T will provide a custom MRC for that Eligible Participant. Any such custom MRC shall my mutually agreed upon, require a Change Order to this Addendum and upon effective will apply for the remainder of the Minimum Payment Period.

(b) Installation and Baselining will be performed during Normal Business Hours. If these Services are needed after Normal Business Hours, the Eligible Participant will pay the outside of Normal Business Hours rate on a Time and Materials basis for all such Services.

(c) AT&T has developed "Base Rate", described in Schedule 1 herein, based on the number of Covered Devices at each Eligible Participant Site. AT&T estimates that each new Eligible Participant (NHOP) Site will take 2 hours to install, configure and baseline. Any deviation (i.e. more than 1 hour over estimates) will be invoiced in fifteen (15) minute increments to each Eligible Participant at the Time and Material rates set forth above.

(d) All prices are in U.S. dollars.

(e) Pricing is based on the currently defined SOW. Any additions or changes to this SOW will necessitate changes in pricing. It is also assumed that no project delays occur that would require AT&T to stop work. AT&T will not be held financially responsible for project delays outside of its control.

(f) Travel and related expenses: The Eligible Participant is responsible for all travel related expenses associated with the SOW and POC that will be invoiced to the Eligible Participant at cost as a separate line item on the invoice. AT&T personnel will incur travel expenses only after receiving permission from the Eligible Participant's authorized Project Manager.

(g) AT&T will begin invoicing the Monthly Recurring Charges to each Eligible Participant upon completion of the installation. AT&T will invoice monthly thereafter.

8. Engagement Assumptions

This SOW, including but not limited to the rates and charges, is based on the following assumptions.

(a) AT&T may use proprietary tools and software in the course of providing this Service. Pricing provided herein does not include the sale, licensing, or transfer of any such tools and software to Eligible Participant and no such sale, licensing or transfer shall occur.

(b) AT&T is not responsible for any other third party applications which may be impacted by the security software or this MSS.

10. Crowdstrike Pass-Through Terms and Conditions

AT&T shall pass through to Customer any warranties for third-party software available from the manufacturer or licensor. The manufacturer or licensor, and not AT&T, is responsible for any such warranty terms and commitments. ALL SOFTWARE IS OTHERWISE PROVIDED TO CUSTOMER ON AN “AS IS” BASIS. Warranties are revised from time to time.

11. Disclaimer

Eligible Participant acknowledges and agrees that any virus-scanning process and any security software -- including the CrowdStrike Third Party Software -- are reactive measures, and further, acknowledges and understands that CrowdStrike Third Party Software is not one hundred percent effective in preventing business impact from viruses and other security attacks. In the event a virus or other security attack penetrates Eligible Participant’s network, Eligible Participant is solely responsible for repair of all infected computer systems.

IHG Crowdstrike End User Agreement.pdf

EXHIBIT G-9-1

HPI JOINDER AGREEMENT

1) Hotel acknowledges and agrees that the terms and conditions of the Equipment Refresh and Integration Services Agreement entered into by and between Six Continents Hotels, Inc. and HP Inc. (as amended) (the "Agreement") are hereby incorporated herein and shall be binding on the Hotel and HP and shall govern the Products and Services purchased hereunder. The capitalized terms used in this Joinder without definition shall have the meanings ascribed to them in the Agreement.

2) The Parties acknowledge and agree that the terms and conditions of the Agreement are hereby incorporated into this Joinder Agreement and shall be binding on the Hotel, HP, and IHG and shall govern the Products and Services purchased hereunder.

3) Joinder Agreement Term. Unless earlier terminated in accordance with the Agreement, this Joinder Agreement shall commence on the Joinder Effective Date and shall continue thereafter for a period of forty-eight (48) months following installation and Acceptance of the Products and Services provided hereunder.

4) Provision of Products and Services. HP shall provide to Hotel the Products and Services identified in an order document signed by Hotel (the "Order Document") in accordance with the terms of this Joinder Agreement and the delivery schedule set forth in the Order Document.

5) Invoicing and Payment.

a. Hotel shall, at the time of the order, pay to IHG the fees for the Products and Services ordered. Following installation and Acceptance of the Products and Services by Hotel, IHG will perform a true-up reconciliation of all costs and issue a final invoice to the Hotel.

b. In the event that Hotel elects to use HP financing, then Hotel shall enter into a Product financing agreement with HP's third-party financing provider, Hewlett-Packard Financial Services Company and its subsidiaries and affiliates (collectively, "HPFS"). Such financing agreement shall be substantially in the form of agreement (or the corresponding HPFS form used outside of the United States) (the "Financing Agreement"). HPFS shall invoice Hotel and Hotel shall pay in accordance with the payment schedule set forth in the Financing Agreement. The Parties acknowledge and agree that (i) the Financing Agreement shall not take effect until installation and Acceptance of the Products and Services ordered, and (ii) the Financing Agreement shall be deemed null and void and of no force or effect in the event that the Joinder Agreement is terminated prior to the Financing Agreement taking effect. Following Acceptance of the Products and Services ordered and the Financing Agreement taking effect, the Financing Agreement shall become an independent agreement between Hotel and HPFS and shall not be affected by a termination of the Agreement or Joinder Agreement.

6) Right to Validate Invoices. Hotel authorizes and HP agrees to provide IHG with a copy of the invoices for Products and Services provided under this Joinder Agreement in order to permit IHG to review and validate that the invoices provided are current, accurate and complete. In the event that IHG's review of an invoice identifies an error or overcharge, HP will promptly correct the error or refund the amount of the overcharge to Hotel.

7) Authorization to Notify of Default. In the event that Hotel applies for financing through HP or HPFS, Hotel authorizes IHG to notify HP and/or HPFS in the event that Hotel is in default of its obligations under the license agreement entered into between Hotel and IHG or an IHG Affiliate. HP shall and shall cause HPFS to use this information solely to evaluate the Hotel's application for financing and shall not disclose such information to any third party or use such information for any other purpose.

8) Waiver and Release. Hotel and Vendor acknowledge and agree that IHG has no obligations under this Joinder Agreement and hereby waive and release IHG from and against any and all present and future claims arising out of or related to this Joinder Agreement.

9) Right to Suspend Service. IHG reserves the right to suspend the services if Hotel violates any material term of this Participation Agreement.

IN WITNESS WHEREOF, each Party, through its duly authorized representative, hereby agree to the terms and conditions of this Joinder Agreement.

AGREED BY Hotel: DABPO	AGREED BY Six Continents Hotels, Inc.:	AGREED BY HP:
Signature:_____	**Signature:**_____	**Signature:**_____
Printed Name:_____	**Printed Name:**_____	**Printed Name:**_____
Title:_____	**Title:**_____	**Title:**_____
Date Signed:_____	**Date Signed:**_____	**Date Signed:**_____

EXHIBIT G-10-1

MICROSOFT SELECT PARTICIPATION AGREEMENT

EXHIBIT A

PARTICIPATION AGREEMENT

This Participation Agreement is entered into by the party signing below ("you") for the benefit of the Microsoft affiliate ("Microsoft") and shall be enforceable against you by Microsoft in accordance with its terms. You acknowledge that Microsoft and Six Continents Hotels, Inc. ("customer") have entered into Microsoft Enterprise Enrollment, No. S1263062 (the "agreement"), under which you desire to sublicense certain Microsoft products. As used in this Participation Agreement, the term to "run" a product means to copy, install, use, access, display, run or otherwise interact with it. You acknowledge that your right to run a copy of any version of any product sublicensed under the agreement is governed by the applicable product use rights for the product and version licensed as of the date you first run that copy. Such product use rights will be made available to you by the customer, or by publication at a designated site on the World Wide Web, or by some other means. Microsoft does not transfer any ownership rights in any licensed product and it reserves all rights not expressly granted.

I. Acknowledgment and Agreement. You hereby acknowledge that you have obtained a copy of the product use rights located at http://www.microsoft.com/licensing/contracts applicable to the products acquired under the above-referenced agreement; you have read and understood the terms and conditions as they relate to your obligations; and you agree to be bound by such terms and conditions, as well as to the following provisions:

a) Restrictions on use. You may not:

i. Separate the components of a product made up of multiple components by running them on different computers, by upgrading or downgrading them at different times, or by transferring them separately, except as otherwise provided in the product use rights;

ii. Rent, lease, lend or host products, except where Microsoft agrees by separate agreement;

iii. Reverse engineer, de-compile or disassemble products or fixes, except to the extent expressly permitted by applicable law despite this limitation; Products, fixes and service deliverables licensed under this agreement (including any license or services agreement incorporating these terms) are subject to U.S. export jurisdiction. You must comply with all domestic and international export laws and regulations that apply to the products, fixes and service deliverables. Such laws include restrictions on destinations, enduser, and end-use for additional information, see http://www.microsoft.com/exporting/.

b) **Limited product warranty.** Microsoft warrants that each version of a commercial product will perform substantially in accordance with its user documentation. This warranty is valid for a period of one year from the date you first run a copy of the version. To the maximum extent permitted by law, any warranties imposed by law concerning the products are limited to the same extent and the same one year period. This warranty does not apply to components of products which you are permitted to redistribute under applicable product use rights, or if failure of the product has resulted from accident, abuse or misapplication. If you notify Microsoft within the warranty period that a product does not meet this warranty, then Microsoft will, at its option, either (1) return the price paid for the product or (2) repair or replace the product. To the maximum extent permitted by law, this is your exclusive remedy for any failure of any commercial product to function as described in this paragraph.

c) **Free and beta products.** To the maximum extent permitted by law, free and beta products, if any, are provided "as-is," without any warranties. You acknowledge that the provisions of this paragraph with regard to pre-release and beta products are reasonable having regard to, among other things, the fact that they are provided prior to commercial release so as to give you the opportunity (earlier than you would otherwise have) to assess their suitability for your business, and without full and complete testing by Microsoft.

d) **NO OTHER WARRANTIES.** TO THE EXTENT PERMITTED BY APPLICABLE LAW, MICROSOFT DISCLAIMS AND EXCLUDES ALL REPRESENTATIONS, WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED OR STATUTORY, OTHER THAN THOSE IDENTIFIED EXPRESSLY IN THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO WARRANTIES OR CONDITIONS OF TITLE, NON-INFRINGEMENT, SATISFACTORY QUALITY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE PRODUCTS AND RELATED MATERIALS. MICROSOFT WILL NOT BE LIABLE FOR ANY PRODUCTS PROVIDED BY THIRD PARTY VENDORS, DEVELOPERS OR CONSULTANTS IDENTIFIED OR REFERRED TO YOU BY MICROSOFT UNLESS SUCH THIRD PARTY PRODUCTS ARE PROVIDED UNDER WRITTEN AGREEMENT BETWEEN YOU AND MICROSOFT, AND THEN ONLY TO THE EXTENT EXPRESSLY PROVIDED IN SUCH AGREEMENT.

e) **Limitation of liability.** There may be situations in which you have a right to claim damages or payment from Microsoft. Except as otherwise specifically provided in this paragraph, whatever the legal basis for your claim, Microsoft's liability will be limited, to the maximum extent permitted by applicable law, to direct damages up to the amount you have paid for the product giving rise to the claim. In the case of Microsoft's responsibilities with respect to third party patent or copyright infringement claims, Microsoft's obligation to defend such claims will not be subject to the preceding limitation, but Microsoft's liability to pay damages awarded in any final adjudication (or settlement to which it consents) will be. In the case of free product, or code you are authorized to redistribute to third parties without separate payment to Microsoft, Microsoft's total liability to you will not exceed US$5000, or its equivalent in local currency.

f) **NO LIABILITY FOR CERTAIN DAMAGES.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER YOU, YOUR AFFILIATES OR SUPPLIERS, NOR MICROSOFT, ITS AFFILIATES OR SUPPLIERS WILL BE LIABLE FOR ANY INDIRECT DAMAGES (INCLUDING, WITHOUT LIMITATION, CONSEQUENTIAL, SPECIAL OR INCIDENTAL DAMAGES, DAMAGES FOR LOSS OF PROFITS OR REVENUES, BUSINESS INTERRUPTION, OR LOSS OF BUSINESS INFORMATION) ARISING IN CONNECTION WITH ANY AGREEMENT, PRODUCT, OR FIX, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR IF SUCH POSSIBILITY WAS REASONABLY FORESEEABLE. THIS EXCLUSION OF LIABILITY DOES NOT APPLY TO EITHER PARTY'S LIABILITY TO THE OTHER FOR VIOLATION OF THE OTHER PARTY'S INTELLECTUAL PROPERTY RIGHTS.

g) **Application.** The limitations on and exclusions of liability for damages set forth herein apply regardless of whether the liability is based on breach of contract, tort (including negligence), strict liability, breach of warranties, or any other legal theory.

h) **Verifying compliance.** You must keep records relating to the products you run. Microsoft has the right to verify compliance with these terms and any applicable product use rights, at its expense, during the term of the enrollment and for a period of one year thereafter. To do so, Microsoft will engage an independent accountant from a nationally recognized public accounting firm, which will be subject to a confidentiality obligation. Verification will take place upon not fewer than 15 days notice, during normal business hours and in a manner that does not interfere unreasonably with your operations. As an alternative, Microsoft may require you to accurately complete its self-audit questionnaire relating to the products you use. If verification or self-audit reveals unlicensed use of products, you must promptly order sufficient licenses to permit all product usage disclosed. If material unlicensed use is found (license shortage of 5% or more), you must reimburse Microsoft for the costs it has incurred in verification and acquire the necessary additional licenses as single retail licenses within 30 days. If Microsoft undertakes such verification and does not find material unlicensed use of products, it will not undertake another such verification for at least one year. Microsoft and its auditors will use the information obtained in compliance verification only to enforce its rights and to determine whether you are in compliance with these terms and the product use rights. By invoking the rights and procedures described above, Microsoft does not waive its rights to enforce these terms or the product use rights, or to protect its intellectual property by any other means permitted by law.

i) **Dispute Resolution; Applicable Law.** This Participation Agreement will be governed and construed in accordance with the laws of the jurisdiction whose law governs the agreement. You consent to the exclusive jurisdiction and venue of the state and federal courts located in such jurisdiction. This choice of jurisdiction does not prevent either party from seeking injunctive relief with respect to a violation of intellectual property rights in any appropriate jurisdiction. The 1980 United Nations Convention on Contracts for the International Sale of Goods and its related instruments will not apply to this agreement or any license entered into with Microsoft or its affiliates under this agreement.

Your violation of the above-referenced terms and conditions shall be deemed to be a breach of this Participation Agreement and shall be grounds for immediate termination of all rights granted hereunder.

AGREED BY
Hotel: DABPO

Signature:_____

Printed Name:_____

Title:_____

Date Signed:_____

EXHIBIT G-11-1

HotelKey

IHG HOTELS & RESORTS

NEXT-GEN PMS AGREEMENT

This Next-Gen PMS Agreement (this "**Agreement**") is entered into by and between HotelKey Inc., a Delaware USA corporation with principal office located at 4100 Midway Road, #2115, Carrollton, Texas 75007 USA ("**HotelKey**"); the IHG company described in **Section 11.9 (IHG Contracting Entity; Governing Law)** below ("**IHG**"); and the hotel legal entity identified below ("**Hotel**") (each, a "**Party**" and collectively, the "**Parties**"):

Legal Name:	
Hotel Name:	
Hotel Address:	
Inncode:	

PMS Solution. HotelKey will install, configure, operate, and provide the PMS Solution to the Hotel for Use as Hotel's cloud-based solution for property management services.

Term and Extension. This Agreement is effective upon signing, and the term of 48 months will begin upon activation of the PMS Solution at the Hotel (the "**Initial Term**"). The Agreement will automatically renew for successive renewal terms of 12 months (each, a "**Renewal Term**") upon the expiration of the Initial Term and each Renewal Term, unless a Party gives written notice of non-renewal to the other Parties at least 90 days prior to the end of the Initial Term or then-current Renewal Term, as applicable. The Initial Term and Renewal Terms shall collectively be referred to as the "**Term**".

Solution and Pricing. Hotel will pay to IHG the following fees for the PMS Solution that HotelKey provides to the Hotel:

PMS Solution Fee*	USD [$4.25 per room per month]
Implementation Fee (Initial Term only)	[USD $70 per month]

* IHG may modify the PMS Solution Fee by no more than 10% annually upon notice to Hotel, provided that the increase is consistently applied to the majority of in-country IHG hotels.

Agreement Components. This Agreement consists of the following components, which are attached and made part of this Agreement:

- This cover page;
- The PMS Terms and Conditions beginning on the following page;
- Attachment 1: Support and Service Levels; and
- Attachment 2: Privacy and Data Protection Terms.

Binding Agreement. By executing this Agreement in the space provided below, the Parties agree to be legally bound by the terms and conditions of this Agreement.

AGREED BY HOTELKEY:	AGREED BY IHG:	AGREED BY HOTEL:
By:_____	By:_____	By:_____
Name:_____	Name:_____	Name:_____
Title:_____	Title:_____	Title:_____

PMS Terms and Conditions

Hotel desires to procure from HotelKey and IHG, and HotelKey desires to provide to Hotel, the PMS Solution, pursuant to the terms of this Agreement.

The Parties agree as follows:

1.0 DEFINITIONS. The following capitalised terms used in this Agreement shall have the respective meanings specified below:

"**Affiliate**" means, as to any entity, any other entity that, directly or indirectly, Controls, is Controlled by or is under common Control with such entity.

"**Africa**" means the countries and territories in Africa, including Algeria, Angola, Ghana, Kenya, Mozambique, Namibia, South Africa, Tanzania, Zambia, and Zimbabwe.

"**Americas**" means the countries and territories in North and South America (including Central America and the Caribbean), including Argentina, Aruba, Bahamas, Belize, Brazil, Canada, Cayman Islands, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Trinidad & Tobago, United States of America, and Uruguay.

"**Asia-Pacific**" means the countries and territories in Asia and the Pacific region, and for purposes of this Agreement includes Bangladesh, Belarus, Bhutan, Cambodia, Guam, Indonesia, Laos, Malaysia, Maldives, Mongolia, Nepal, Northern Mariana Islands, Philippines, Seychelles, Singapore, South Korea, Sri Lanka, Thailand, and Vietnam, but excludes Australia, Fiji, French Polynesia, Japan, India, Micronesia, New Caledonia, New Zealand, and Vanuatu.

"**Business Purpose**" means access to the HotelKey Cloud and Use of the PMS Solution solely in connection with the operation and management of the Hotel.

"**Control**" means, with respect to any entity, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting securities (or other ownership interest), by contract or otherwise.

"**Contractor**" means a contractor who (i) has executed a contractor agreement with Hotel; (ii) is subject to confidentiality obligations substantially similar to those set forth in this Agreement; and (iii) is not a competitor of HotelKey.

"**Designated User**" means an employee or Contractor designated by Hotel to access the HotelKey Cloud and Use the PMS Solution for Business Purposes.

"**Documentation**" means the operating manuals, user manuals, programmer manuals, training materials, product specifications, compatibility and configuration instructions, database schema, and supporting materials relating to the PMS Solution.

"**Europe**" means the countries and territories in Europe and west or central Asia, and for purposes of this Agreement includes Armenia, Austria, Azerbaijan, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Finland, France, French Polynesia, Georgia, Germany, Gibraltar, Greece, Hungary, Iceland, Ireland, Israel, Italy, Kazakhstan, Lithuania, Macedonia, Malta, Montenegro, Netherlands, Norway, Poland, Portugal, Romania, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Türkiye, Ukraine, United Kingdom, and Uzbekistan.

"**Hotel Agents**" means the employees, contractors, suppliers, subcontractors, and representatives of Hotel.

"**Hotel Agreement**" means the franchise, management or other agreement authorising Hotel to operate under an IHG brand.

"**Hotel Bankruptcy Event**" means that Hotel: (a) files a petition in bankruptcy for liquidation, (b) has an involuntary petition in bankruptcy filed against it which is not challenged within ten (10) days and dismissed within thirty (30) days, (c) becomes insolvent, (d) makes a general assignment for the benefit of creditors, (e) is unable to pay its debts as they mature, (f) has a receiver appointed for its assets, (g) has any significant portion of its assets attached, (h) receives a "going concern"

explanation or qualification from its external auditor, or (i) experiences a material negative change in its net assets (i.e., total assets minus total liabilities).

"**HotelKey Cloud**" means the hardware, software, storage, firewalls, systems, intrusion detection devices, load balancing units, switches, and other hardware that make up the hosted cloud environment provided through Amazon Web Services (or a successor provider selected by HotelKey) and through which Hotel is provided access and Use of the PMS Solution.

"**Intellectual Property**" or "**Intellectual Property Rights**" means any patents, copyrights, trademarks, trade secrets, and other proprietary or intellectual property rights.

"**Law**" means any declaration, decree, directive, legislative enactment, order, ordinance, regulation, rule or other binding restriction of or by any legislature, administrative agency, court, or other governmental authority.

"**Micronesia**" means Guam, Saipan, and Palau.

"**Middle East**" means the countries and territories in the Middle East region, and for purposes of this Agreement includes Bahrain, Egypt, Jordan, Kuwait, Lebanon, Libya, Mauritius, Morocco, Oman, Qatar, and United Arab Emirates, but excludes Saudi Arabia.

"**Personal Data**" and "**Excluded Personal Data**" have the meanings set forth in **Attachment 2 (Privacy and Data Protection Terms)**.

"**PMS Data**" means any data or information (including any Personal Data) that is processed by the PMS Solution or that is otherwise submitted or stored by or on behalf of the Hotel in the PMS Solution, including (a) Personal Data regarding Hotel guests and other customers, (b) preferences of Hotel guests or potential Hotel guests, (c) information and data relating to Hotel operations, such as occupancy rates, room revenue, reservation data, and guest satisfaction, and (d) data arising from usage of HotelKey modules (e.g., RetailKey, EventKey) that interface or are integrated with the core HotelKey property management system.

"**PMS Solution**" means the cloud-based property management system solution enabled and provided by HotelKey under the terms and conditions of this Agreement for Hotel and other IHG-branded hotels to perform property management and related activities integrated with IHG systems. The PMS Solution includes the TrainKey training module.

"**Privacy Laws**" has the meaning set forth in **Attachment 2 (Privacy and Data Protection Terms)**.

"**Tax**" means any income, gross receipts, franchise, sales, use, transfer, value-added, excise, customs, duties, property, withholding or any other tax, charge, or fee, including any interest, penalties, or other additions to tax, imposed by a local tax authority.

"**Use**" means the authorized access and use of the PMS Solution by Designated Users solely for the Business Purposes.

2.0 SERVICE FRAMEWORK.

2.1 PMS Solution. During the Term, HotelKey will install, configure, operate, and provide the PMS Solution to Hotel pursuant to the terms of this Agreement. HotelKey will provide the TrainKey module, a role-based curriculum, self-service training, and other training capabilities for Use by Hotel and its personnel.

2.2 Right to Use the PMS Solution. During the Term, HotelKey hereby grants Hotel a limited, personal, revocable, nonexclusive, and non-transferable right for Designated Users to remotely access and Use the PMS Solution solely in support of the internal Business Purposes and subject to the terms of this Agreement.

2.3 Hotel Responsibilities. Hotel will, and will cause the Hotel Agents to (a) test the PMS Solution in the environment of Hotel before Use; (b) ensure that the personnel of Hotel complete training on the PMS Solution, are familiar with its online help and self-service features, and use the PMS Solution correctly; (c) enter information into the PMS Solution accurately and completely; (d) report any actual or suspected software errors or failures discovered in the course of using the PMS Solution to HotelKey and IHG, (e) comply with Laws applicable to Hotel and the PMS Solution (including Privacy Laws and any U.S. governmental, regulatory, or agency Laws involving "deemed exports", "re-exports", and "imports" of "technical data" or "technology"), and (f) comply with the policies, requirements, and procedures of HotelKey

and IHG that are made available to Hotel from time to time.

2.4 Restrictions on Use. Except as expressly permitted by this Agreement, Hotel shall not, and shall not permit any third party to: (a) transmit the PMS Solution to any third party or third party network, or permit any third party to access or use the PMS Solution other than the Designated Users; (b) Use the PMS Solution, or any data derived from the PMS Solution, in a service bureau, time-sharing, multiple CPU, or multiple user arrangement; (c) copy, reproduce, store, sell, assign, pledge, sublicense, convey, transfer, redistribute, rent, transmit, grant other rights in, or permit any unauthorised use of the PMS Solution; (d) prepare or create, whether directly or through a third party, derivative works or incorporate the PMS Solution, in whole or part, into any other system or work; (e) reverse engineer, disassemble, decompile, decode, adapt or otherwise attempt to derive, discover, or gain access to the source code of the PMS Solution, in whole or in part; (f) bypass or breach any security device or protection used by the PMS Solution or access or use the PMS Solution other than by an authorised user through the use of his or her own then valid access credentials; (g) input, upload, transmit, or otherwise provide to or through the PMS Solution, any information or materials that are unlawful or injurious, or contain, transmit, or activate any harmful code; (h) remove, delete, alter, or obscure any warranties or disclaimers, or any Intellectual Property Rights notices from the PMS Solution, including any copy thereof; (i) access or use the PMS Solution in any manner or for any purpose that infringes, misappropriates, or otherwise violates any Intellectual Property Rights or other rights of any third party, or that violates any applicable Law; or (j) otherwise access or use the PMS Solution beyond the scope of the authorisation granted under this Agreement, including the Third Party Terms. Hotel shall inform each Designated User of this Agreement's terms and restrictions and shall enforce such restrictions. Hotel agrees to notify HotelKey and IHG if Hotel becomes aware of any failure of a Designated User to adhere to the license terms and restrictions in this Agreement.

2.5 Hotel-Based Hardware. HotelKey will provide a hardware device to Hotel for installation at Hotel's premises. If the device malfunctions, Hotel will engage HotelKey's support services for resolution.

2.6 PMS Solution Support. The PMS Solution will include the support services and will be provided in accordance with the service levels set forth in **Attachment 1 (Support and Service Levels)**.

3.0 FEES, INVOICING, AND PAYMENTS.

3.1 Fees. The fees for the PMS Solution provided under this Agreement are set forth on the cover page of this Agreement, and no other fees for the PMS Solution are owed by Hotel to IHG or HotelKey except as provided in this Agreement. In addition, if a scheduled implementation is not completed and reserved resources are not utilised due to Hotel's action or inaction, Hotel will pay a reschedule fee to IHG. The obligation of Hotel to pay all fees is absolute and unconditional and, except as expressly provided, shall not be subject to any abatement, deferment, reduction, defense, counterclaim, set-off, or recoupment.

3.2 Invoicing and Payment. IHG may designate an IHG Affiliate to manage invoicing and collections under this Agreement. IHG or an IHG Affiliate shall invoice Hotel each month for the fees associated with the PMS Solution set forth on the cover page of this Agreement. The Parties acknowledge and agree that the invoicing party is the service provider to Hotel. Hotel shall pay IHG or the designated IHG Affiliate the fees invoiced for payment in line with existing payment terms between IHG and Hotel under the Hotel Agreement.

3.3 Interest on Late Payments. Hotel will pay interest on all amounts that become past due at the lesser of (a) one percent (1%) per month; or (b) the highest rate allowed by Law.

3.4 Payment Default. If Hotel should default on any payment obligation owed under this Agreement, IHG shall have the right to direct HotelKey to suspend access to and use of the PMS Solution by Hotel. Additionally, Hotel will be responsible for all collection costs and attorney fees incurred by IHG to collect any delinquent amounts.

3.5 Taxes. All Taxes resulting from the provision of the PMS Solution under this Agreement shall be the responsibility of Hotel. If IHG or an IHG Affiliate is required to pay any such Taxes or penalties or interest relating thereto, IHG or an IHG Affiliate will provide an invoice for such amounts and Hotel will pay such amounts within thirty (30) days of the date of the invoice.

3.6 Withholding Taxes. If Hotel is required to pay any applicable withholding tax payable to the relevant local tax authorities, Hotel shall (a) pay the applicable PMS Solution fee less the amount of the withholding tax; (b) make such required withholding tax payment to the local tax authorities; (c) within thirty (30) days after the date of payment of any

such withholding tax payment, provide IHG with the original or a certified copy of a receipt evidencing payment thereof to the relevant local tax authority; and (d) take all action reasonably required to enable IHG to obtain any tax credit which may be available to it.

3.7 Currency. All fees charged under this Agreement (including any Taxes) will be calculated based on the currency set forth on the cover page of this Agreement but will be invoiced in the local currency used for the existing payment terms between IHG and Hotel under the Hotel Agreement. Where the local currency is anything other than the United States Dollar, the amounts owed by Hotel in the applicable local currency will be based on the conversion of such local currency to United States Dollars based on the currency conversion practices employed for payments under the Hotel Agreement.

4.0 CONFIDENTIAL INFORMATION. From time to time, HotelKey, IHG, or an IHG Affiliate may disclose or make available to Hotel, whether orally, electronically or in physical form, confidential or proprietary information of or in the possession of HotelKey, IHG, or the IHG Affiliate (including confidential or proprietary information of a third party that is in the possession of HotelKey, IHG, or the IHG Affiliate) in connection with the PMS Solution or this Agreement. The term "**Confidential Information**" shall include all information and data which at the time of disclosure: (a) is marked as "Confidential" or "Proprietary"; (b) is otherwise reasonably identifiable as the confidential or proprietary information of HotelKey, IHG, or its Affiliate; or (c) should reasonably be understood to be confidential or proprietary information of HotelKey, IHG, or its Affiliate given the nature of the information and the circumstances surrounding its disclosure. Hotel shall not disclose any such Confidential Information to any third party without the prior written consent of IHG and HotelKey and shall only access and use the Confidential Information as required to and for the limited purpose of performing its obligations under this Agreement; *provided that* Hotel may disclose Confidential Information to its employees, contractors and professional advisors who need to know such information in order to perform their obligations related to this Agreement and who are contractually bound by confidentiality obligations that are at least as protective as those in this Agreement. Hotel shall use commercially reasonable care and discretion to avoid unauthorised use, disclosure, publication, or dissemination of Confidential Information (which shall be no less than the standard of care used by Hotel to protect its Confidential Information of a similar nature). For Confidential Information that does not constitute a "trade secret" under applicable Law, these confidentiality obligations will expire three (3) years after the termination or expiration of this Agreement. For Confidential Information that constitutes a "trade secret" under applicable Law, these confidentiality obligations will continue until such information ceases to constitute a "trade secret" under such applicable Law. Hotel will be responsible for any breach of this Section by Hotel Agents and Hotel's Affiliates and any third party to whom it or they disclose Confidential Information in accordance with this Section ("**Recipients**"). Upon the request of IHG, Hotel shall deliver to IHG or destroy all copies of Confidential Information. Hotel agrees to certify in writing to IHG that it and each of its Affiliates, Hotel Agents, and Recipients have performed the foregoing. Excluding Personal Data, the term Confidential Information will not include any information that Hotel can establish by convincing written evidence: (a) was independently and lawfully developed by Hotel without use of or reference to any Confidential Information belonging to or received from HotelKey, IHG, or an IHG Affiliate; (b) was lawfully acquired by Hotel from a third party having the legal, unconditional right to furnish same to Hotel; or (c) was at the time in question (whether at disclosure or thereafter) generally known by or available to the public (through no fault of Hotel). These confidentiality obligations will not restrict any disclosure required by Law, *provided that* Hotel gives prompt notice to IHG of any such legal requirement and reasonably cooperates with IHG at IHG's request and expense to resist such legal requirement or to obtain a protective order.

5.0 DATA, PRIVACY, AND SECURITY.

5.1 PMS Data Usage by HotelKey. Subject to **Attachment 2 (Privacy and Data Protection Terms)**, Hotel hereby grants to HotelKey a non-exclusive, irrevocable, worldwide, fully paid, sublicensable, transferable, royalty free right and license to access, use, distribute, reproduce, perform, display, process, modify, and create derivative works of (and to permit its subcontractors and Affiliates to access, use, distribute, reproduce, perform, display, process, modify, and create derivative works of) any and all PMS Data during the Term of this Agreement, solely in order to provide the PMS Solution to Hotel.

5.2 PMS Data Usage by IHG. Subject to **Attachment 2 (Privacy and Data Protection Terms)**, Hotel hereby grants to IHG a non-exclusive, irrevocable, worldwide, fully paid, sublicensable, transferable, royalty free right and license to access, use, distribute, reproduce, perform, display, process, modify, and create derivative works of (and to permit its subcontractors and Affiliates to access, use, distribute, reproduce, perform, display, process, modify, and create derivative works of) any and all PMS Data (excluding any Excluded Personal Data) in perpetuity, (i) for any and all internal business purposes of IHG and IHG's Affiliates, (ii) to improve any products, services, or other offerings of IHG or any IHG Affiliates, (iii) to analyse consumer behavior for customers and potential customers of IHG branded hotels, (iv) to commercially exploit

such PMS Data for any and all purposes determined by IHG or any IHG Affiliate, and (v) for any and all other purposes not prohibited by applicable Law.

5.3 PMS Data Representations. Hotel represents and warrants to HotelKey and IHG that (a) Hotel has obtained and will maintain all right, title, and interest in and to the PMS Data (or that it has otherwise obtained and will maintain any and all rights, consents, licenses, permissions, and authorisations relating to the PMS Data) necessary to (i) permit HotelKey to provide the PMS Solution in accordance with this Agreement and (ii) permit HotelKey to exercise the rights and licenses granted in **Section 5.1 (PMS Data Usage by HotelKey)**, and (iii) permit IHG to exercise the rights and licenses granted in **Section 5.1 (PMS Data Usage by IHG)** and to use and process PMS Data as contemplated by this Agreement, (b) the PMS Data was collected, generated, or otherwise obtained in accordance with all applicable Laws (including Privacy Laws), (c) it will promptly provide any and all information reasonably requested by IHG and/or HotelKey in support of the implementation, deployment, or support services provided by HotelKey in connection with the PMS Solution, and (d) the PMS Data (including when used or otherwise processed by HotelKey or IHG in accordance with this Agreement) does not and will not infringe, misappropriate, or otherwise violate any intellectual property rights (or any privacy or other rights) of any third party or violate any applicable Laws (including any Privacy Laws).

5.4 Privacy and Data Protection. The Parties will comply with the privacy and data protection terms set forth on **Attachment 2 (Privacy and Data Protection Terms)**, attached hereto and incorporated herein.

5.5 Hotel's Security Obligations. Hotel will implement and maintain commercially reasonable and industry-standard measures, safeguards, and other controls to prevent a breach of or unauthorised access to the PMS Solution. Hotel will ensure all Designated Users comply with industry best practices to implement secure passwords, regularly change such passwords, and protect the security and privacy of their user logins and the PMS Data. Hotel shall be solely responsible for any and all Claims and Losses (as each such term is defined below) relating to an unauthorized third party access to the PMS Solution and/or PMS Data that results or arises out of breach of the foregoing. Hotel will comply with any additional security requirements that HotelKey or IHG provides to Hotel in writing, which may be updated from time to time.

6.0 INTELLECTUAL PROPERTY. As between the Hotel and HotelKey, HotelKey owns all Intellectual Property Rights in and to the PMS Solution and the Documentation, including all modifications, enhancements, and derivative works of the PMS Solution and the Documentation. Similarly, as between the Hotel and HotelKey, HotelKey will own all right, title, and interest (including all Intellectual Property Rights) in and to all ideas, concepts, plans, creations, or work product developed in connection with the PMS Solution and the Documentation, including any writings, drawings, computer programs, source code, and object code (collectively, the "**Work Product**"). The Work Product are not works made for hire. Hotel hereby unconditionally and irrevocably grants, transfers, and assigns to HotelKey in perpetuity any and all worldwide right, title, and interest (including all Intellectual Property Rights) in and to the Work Product. Hotel may, in its sole discretion and option, provide HotelKey or IHG with input, comments or suggestions regarding the business and technology of HotelKey or IHG or the possible creation, modification, correction, improvement or enhancement of the PMS Solution ("**Feedback**"). Hotel hereby grants HotelKey and IHG a perpetual, irrevocable, fully-paid worldwide, sublicensable, transferable license and right to use, copy, incorporate, distribute, perform, display, modify and exploit any Feedback without any compensation, obligation to report on such use, or any other restriction. Feedback will not be considered Confidential Information or a trade secret of Hotel.

7.0 DISCLAIMER OF WARRANTIES.

IHG is not the licensor or provider of the solutions made available to Hotel under this Agreement and offers no warranties on the solutions. HOTELKEY AND IHG HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, FOR NETWORK CONNECTIVITY, SECURITY, AVAILABILITY, SOFTWARE, HARDWARE, SYSTEMS, OR TRANSACTION PROCESSING OR FOR MERCHANTABILITY, SATISFACTORY QUALITY AND FITNESS FOR A PARTICULAR PURPOSE. ALL SERVICES, AND ALL SUPPORT MATERIALS AND OTHER DATA, SOFTWARE OR OTHER ITEMS ARE PROVIDED "AS IS" AND "WHERE IS". HOTELKEY AND IHG DO NOT WARRANT THAT THE PMS SOLUTION WILL BE AVAILABLE, WILL OPERATE WITHOUT INTERRUPTION, OR WILL BE FREE OF ERRORS, BUGS, OR OTHER DEFECTS.

8.0 TERMINATION AND SUSPENSION.

8.1 Termination for Cause. If Hotel defaults in the performance of any of its obligations under this Agreement and does not cure such default within twenty (20) days after receipt of a written notice of default from HotelKey or IHG, then

HotelKey or IHG (as applicable, depending on whether HotelKey or IHG is the party that has been affected by the relevant default) may terminate this Agreement, in whole or in part, as of the termination date specified in such written notice. If Hotel breaches the Hotel Agreement, and fails to cure such default within twenty (20) days after receipt of a notice of default, then IHG may terminate this Agreement, in whole or in part, immediately upon written notice to Hotel as of the termination date specified in the notice, without any additional cure period.

8.2 Termination or Expiration of the Hotel Agreement. If the Hotel Agreement terminates or expires, then this Agreement shall automatically terminate.

8.3 Termination or Expiration of IHG-HotelKey Agreement. If IHG's agreement with HotelKey relating to the PMS Solution terminates or expires, then IHG may, in its discretion, either (i) terminate this Agreement upon written notice to Hotel, or (ii) migrate Hotel to an alternative solution selected by IHG (the "**Alternative Solution**"). If IHG migrates Hotel to an Alternative Solution, IHG may amend this Agreement to incorporate any differing or additional terms required in connection with the Alternative Solution (the "**Alternative Solution Terms**"). IHG will provide Hotel with a copy of any such Alternative Solution Terms by written notice (the "**Alternative Solution Notice**"). If Hotel desires not to be migrated to such Alternative Solution, Hotel must provide IHG with written notice of its rejection of the Alternative Solution within thirty (30) days of the date of the Alternative Solution Notice. If Hotel fails to notify IHG of its rejection of the Alternative Solution within such thirty (30) day period, then Hotel will be deemed to have accepted the Alternative Solution and the Alternative Solution Terms.

8.4 Termination for Hotel Bankruptcy Event. HotelKey or IHG may terminate this Agreement, in whole or in part, immediately upon written notice to Hotel of a Hotel Bankruptcy Event.

8.5 Termination Fee. Upon termination of this Agreement before the end of the Initial Term for any reason, Hotel will pay to IHG a termination fee equal to (i) the monthly Implementation Fee, multiplied by (ii) the remaining months in the Initial Term.

8.6 Other Remedies. If any of the above events set forth in **Section 8.1** through **Section 8.4** occur, then IHG, in addition to or in lieu of exercising its termination or other, legal, equitable, or contractual rights, may direct HotelKey to limit, reduce, suspend, or terminate Hotel's use of or access to the PMS Solution.

9.0 INDEMNIFICATION.

9.1 Of HotelKey. Hotel will, at HotelKey's election, defend HotelKey, its Affiliates, and their respective officers, directors, employees, and agents (collectively, "**HotelKey Indemnitees**") against any and all third-party claims, investigations, lawsuits, proceedings, litigation, and causes of action (collectively "**Claims**") and Hotel will indemnify and hold the HotelKey Indemnitees harmless from any and all losses, liabilities, penalties, fines, taxes, deficiencies, taxes, interest, expenses, costs, assessments, and damages (collectively, "**Losses**") arising out of or relating to (a) a breach by Hotel of this Agreement, or (b) PMS Data (including any failure of Hotel to obtain any necessary rights, consents, licenses, permissions, or authorisations relating to the PMS Data). Hotel will not enter into any settlement or otherwise compromise any Claim where indemnification could be sought under this Section 9.0 (Indemnification) without HotelKey's prior written consent. Where a HotelKey Indemnitee is entitled to indemnification but there is no third party claim, Hotel shall indemnify the HotelKey Indemnitee and pay all such Losses promptly after receipt of a written demand from HotelKey.

9.2 Of IHG. Hotel will, at IHG's election, defend IHG, its Affiliates, and their respective officers, directors, employees, and agents (collectively, "**IHG Indemnitees**") against any and all Claims and Hotel will indemnify and hold the IHG Indemnitees harmless from any and all Losses arising out of or relating to (a) a breach by Hotel of this Agreement, or (b) PMS Data (including any failure of Hotel to obtain any necessary rights, consents, licenses, permissions, or authorisations relating to the PMS Data). Hotel will not enter into any settlement or otherwise compromise any Claim where indemnification could be sought under this Section 9.0 (Indemnification) without IHG's prior written consent. Where an IHG Indemnitee is entitled to indemnification but there is no third party claim, Hotel shall indemnify the IHG Indemnitee and pay all such Losses promptly after receipt of a written demand from IHG.

10.0 DAMAGES.

10.1 Limitation on Types of Damages. To the extent permitted under mandatory Law, no Party will be liable to any other Party for any indirect, consequential, special, incidental, or punitive damages, loss of goodwill, loss of profits, lost

revenue, business interruption, personal injury or property damage or loss, corruption, or unauthorised access to or use of data, even if such damages were foreseeable.

10.2 Limitation on Amounts of Damages. TO THE EXTENT PERMITTED UNDER MANDATORY LAW AND EXCLUDING HOTEL'S BREACH OF SECTIONS 2.2 OR 2.4 OR A BREACH OF SECTION 4.0, NO PARTY SHALL BE LIABLE TO ANY OTHER PARTY UNDER THIS AGREEMENT FOR DAMAGES IN EXCESS OF THE FEES PAID BY HOTEL UNDER THIS AGREEMENT IN THE THREE (3) MONTHS PRECEDING THE EVENT GIVING RISE TO LIABILITY (OR PREDICTED TO BE PAID WITHIN THE FIRST THREE (3) MONTH PERIOD, IF SUCH CLAIM ARISES DURING THE FIRST THREE (3) MONTHS).

11.0 MISCELLANEOUS PROVISIONS.

11.1 Assignment. Neither this Agreement nor any right or interest under this Agreement is assignable or transferable by Hotel or HotelKey. IHG and its assignees shall have the right to assign or transfer this Agreement or any of the rights, duties, or obligations of IHG under this Agreement, in whole or in part, to any person or legal entity without requirement of prior notice to, or consent of, Hotel or HotelKey. This Agreement shall be binding on the Parties and their respective successors and permitted assigns.

11.2 Notices. In any case where any notice, approval, agreement or other communication is required or permitted to be given under this Agreement, such notice, approval, agreement or communication shall be in writing and deemed to have been duly given and delivered (a) if delivered in person, on the date of such delivery; or (b) if sent by overnight express or registered or certified mail (with return receipt requested), on the date of receipt of such mail. Such notice or other communication shall be sent to (i) with respect to HotelKey, at the address set forth in the preamble, (ii) with respect to Hotel, the address(es) set forth in the Hotel Agreement, and (iii) with respect to IHG, at the address set forth in **Section 11.9 (IHG Contracting Entity; Governing Law)** below. A Party may update its notice address from time to time by notifying the other Parties in writing in accordance with this section.

11.3 Changes and Modifications. The terms and conditions of this Agreement may not be amended, waived, or modified, except as set forth in **Section 8.3 (Termination or Expiration of IHG-HotelKey Agreement)** or as otherwise set forth in a writing signed by the Parties.

11.4 Severability. To the fullest extent permitted by Law, if any provision of this Agreement, or the application thereof to any person or circumstance, is held by an arbitrator or court of competent jurisdiction to be invalid or unenforceable, then (a) the arbitrator or court shall have the authority to modify and/or "blue pencil" this Agreement, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected by such invalidity or unenforceability.

11.5 Force Majeure. No Party shall be liable for failing to fulfill any of its obligations under this Agreement due to acts of God, acts of war, epidemic, pandemic, failure of utility or communications infrastructure beyond that which would be avoided by reasonable use of back-up electricity supplies, or other causes beyond the reasonable control of the affected Party (as applicable).

11.6 Negotiated Terms. This Agreement will not be construed in favor of or against any Party by reason of the extent to which any Party or its professional advisors participated in the preparation of this Agreement or based on a Party's undertaking of an obligation under this Agreement.

11.7 Headings. The section headings of this Agreement are for convenience of reference only and will not affect the meaning or interpretation of this Agreement in any way.

11.8 Survival. The provisions contained in this Agreement that by their context are intended to survive termination or expiration will survive, including **Sections 4.0 (Confidential Information)**; **5.0 (Data, Privacy, and Security)**; **6.0 (Intellectual Property)**; **7.0 (Disclaimer of Warranties)**; **9.0 (Indemnification)**; **10.0 (Damages)**; and **11.0 (Miscellaneous Provisions)**.

11.9 IHG Contracting Entity; Governing Law. The IHG entity entering into this Agreement, the address to which Hotel should direct legal notices under this Agreement, the governing law and rules of arbitration that will apply in any

dispute arising out of or in connection with this Agreement, and the location of arbitration for any such dispute, depend on where Hotel is domiciled.

If Hotel is domiciled in:	IHG contracting entity:	Notices for IHG contracting entity:	Governing law:	Rules of arbitration:	Location of arbitration:
Africa	IHG Hotels Ltd (company registration number 03130330)	1 Windsor Dials, Arthur Road, Windsor, Berkshire, SL4 1RS, United Kingdom	England	London Court of International Arbitration	London
Americas	Six Continents Hotels, Inc.	3 Ravinia Drive, Suite 100, Atlanta, Georgia 30346	State of Georgia	American Arbitration Association	Atlanta
Asia-Pacific	InterContinental Hotels Group (Asia Pacific) Pte. Ltd. (company registration number 199907619H)	230 Victoria Street #13-00 Bugis Junction Towers 188024, Singapore	Singapore	Singapore International Arbitration Centre	Singapore
Europe	IHG Hotels Ltd (company registration number 03130330)	1 Windsor Dials, Arthur Road, Windsor, Berkshire, SL4 1RS, United Kingdom	England	London Court of International Arbitration	London
Australia, Fiji, French Polynesia, New Caledonia, Papua New Guinea, Vanuatu	IHG Hotels Management (Australia) Pty Limited ABN 33 008 413 367	Level 11, 20 Bond Street, Sydney NSW 2000	Australia	Australian Centre for International Commercial Arbitration	Sydney
India	InterContinental Hotels Group (India) Private Ltd	11th Floor, Building No.10, Tower-C, DLF Cyber City Phase-II, Gurgaon, Haryana-122002 India	India	Singapore International Arbitration Centre	City in India
Japan, Micronesia	IHG Japan (Management) LLC	20th Floor, Toranomon Kotohira Tower, 2-8 Toranomon 1-chome, Minato-ku, Tokyo 105-0001 Japan	Japan	Japan Commercial Arbitration Association	Tokyo
Japan (and is co-branded with ANA)	IHG ANA Hotels Group Japan LLC	20th Floor, Toranomon Kotohira Tower, 2-8 Toranomon 1-chome, Minato-ku, Tokyo 105-0001 Japan	Japan	Japan Commercial Arbitration Association	Tokyo
New Zealand	IHG Hotels (New Zealand) Limited (Company Number 108570)	Level 11, 20 Bond Street, Sydney NSW 2000	New Zealand	Australian Centre for International Commercial Arbitration	Sydney

The Parties agree to the applicable governing law above without giving effect to the principles thereof relating to the conflicts of Laws.

11.10 Dispute Resolution; Venue. The Parties agree that any disputes arising in connection with this Agreement shall be finally settled by arbitration under the rules of arbitration identified above by one or more arbitrators appointed in accordance with the said rules. The designated venue for dispute resolution shall not affect or impair the right of a Party to enforce any award of the above-mentioned arbitrators in the courts of any jurisdiction. The official language of arbitration

shall be English. Notwithstanding the foregoing, a Party may immediately institute formal proceedings in a court of competent jurisdiction in order to pursue specific performance, an injunction, or other equitable relief.

11.11 Electronic Signatures. The Parties agree that (i) this Agreement may be executed by electronic signature initiated through any mutually agreed commercial electronic signature provider to a Party's authorised signatory's password-protected email address identified to the other Parties ("**Electronic Document**"); and (ii) an electronic signature appearing on an Electronic Document shall have the same force and effect and be considered for all purposes as an original ink signature.

11.12 Third Party Beneficiary. Except for the rights of the HotelKey Indemnitees and IHG Indemnitees to receive indemnification as set forth in **Section 9.0 (Indemnification)**, the Parties do not intend to create rights for any person as a third party beneficiary of this Agreement.

11.13 Local Addendum. This Agreement may include a "Local Addendum" (**Attachment 3 – Local Addendum**) to conform to local Law. The Local Addendum will, among other things, include (i) any mandatory or industry-standard Laws or tax considerations for the Hotel's jurisdiction, (ii) any other terms specific for such jurisdiction, and (iii) any other terms and conditions that HotelKey and IHG require based on such jurisdiction. Any Local Addendum shall supersede any conflicting terms in the rest of this Agreement and shall, together with this Agreement, govern the terms and conditions solely with respect to the provision of PMS Solution in the applicable jurisdiction.

11.14 Entire Agreement. This Agreement, and any other documents referenced in this Agreement, constitutes the entire agreement between the Parties with respect to the subject matter hereof, and supersedes all other communications, including all prior agreements, between the Parties with respect to such subject matter.

* * * *

Attachment 1 – Support and Service Levels

1. **Support Services**. HotelKey will provide technical support for the PMS Solution on a 24x7x365 basis. Hotel may reach HotelKey for technical support by phone call, the self-service ticketing system used for this purpose, and/or any another reasonable means that IHG or HotelKey may advise to Hotel from time to time. Support will be provided in the English, Spanish, and Japanese languages, as well as any other language that IHG or HotelKey may advise to Hotel from time to time. The services include an unlimited number of interfaces and data exports, access to training via TrainKey (self-service guide), ongoing application support, interface maintenance and support, and future versions, upgrades, and patches.

2. **Target Response Times**. HotelKey will assign a priority for each of Hotel's support requests depending on the nature of the issue as set forth below. HotelKey will use commercially reasonable endeavours to provide a response to such technical support issues in accordance with the target response times set forth below:

Severity Level	Severity Level Description	Target Response Time
Severity 1	An issue that is causing the PMS Solution to become unavailable or significantly degraded, and such issue prevents Hotel from performing business critical functions.	45 minutes
Severity 2	An issue that is causing the PMS Solution to be degraded below a reasonably acceptable performance level, and such issue causes a substantial or severe impact to Hotel operations.	3 hours
Severity 3	An issue that is causing the PMS Solution to be degraded but the PMS Solution is still functioning at an acceptable performance level.	6 hours
Severity 4	An issue that causes a non-critical component of the PMS Solution to be unusable or difficult to use.	36 hours

For purposes of this section, "response" means a non-automated electronic message or communication from a live representative to a user acknowledging the incident and providing status. When available, HotelKey will provide next steps towards resolving the incident or implementing a workaround.

3. **Monthly Uptime Availability Service Level**.

HotelKey will use commercially reasonable endeavours to achieve the "Monthly Uptime Availability" service level for the PMS Solution as described below. If HotelKey does not satisfy the "Monthly Uptime Availability" service level, Hotel shall be eligible to receive a service credit as set forth below.

i. If, during any calendar month, the "Monthly Uptime Availability" of the PMS Solution falls below 99.5%, Hotel may submit a claim to IHG for a service credit based on the "Service Credit Percentage" below:

Monthly Uptime Availability of PMS Solution	Service Credit Percentage
Less than 99.5% but equal to or greater than 99.00%	5%
Less than 99.0% but equal to or greater than 98.00%	10%
Less than 98.0% but equal to or greater than 95.0%	15%
Less than 95.0%	40%

ii. For the purposes of this "Monthly Uptime Availability" service level, (A) "Available" or "Availability" means that the PMS Solution is available for access by the Hotel and (B) "Monthly Uptime Availability" will be calculated by subtracting from 100% the percentage of minutes during an applicable calendar month that the PMS Solution is not "Available", excluding any "Excluded Downtime" (as defined below).

iii. Service credits will be calculated by multiplying the "Service Credit Percentage" by the fees actually paid by Hotel for the PMS Solution during the calendar month in which HotelKey failed to satisfy the "Monthly Uptime Availability" service level. For the avoidance of doubt, the fees actually paid by Hotel for the PMS Solution will only include those fees set forth in the "Solution and Pricing" section of the cover page of this Agreement and will not include any fees, charges, or expenses arising from any collateral offerings (or any other services, technology, or other offerings that are not the PMS Solution).

iv. The "Monthly Uptime Availability" service level shall not apply and the PMS Solution shall be deemed "Available" where any unavailability results from or relates to any of the below ("Excluded Downtime"):

- Hotel's or any third party's platforms, software, equipment, hardware, systems, applications, or other technology in Hotel's information technology environment (other than the PMS Solution or the platforms, software, equipment, hardware, systems, applications, or technology of a third party provider used to provide the PMS Solution to Hotel);
- Any failure of Hotel's internet service provider, utility companies, or other contractors, subcontractors, suppliers or vendors that Hotel utilises or relies on to access the PMS Solution or access the internet;
- The occurrence of any event or circumstance outside of the control of HotelKey or IHG (including the occurrence of any "force majeure" event as set forth in **Section 11.5 (Force Majeure)** of the Agreement);
- Any scheduled maintenance related to the PMS Solution;
- Any emergency maintenance related to the PMS Solution performed for the purposes of addressing any security matter; or
- Any actions or inactions of Hotel (or any of Hotel's users) or any third party.

v. In order for Hotel to be eligible to request any service credits for a failure of the "Monthly Uptime Availability" service level, Hotel must comply with the below:

- Hotel must be current on all payments owed to IHG and not otherwise in breach or violation of this Agreement.
- Hotel must submit a service credit claim to IHG by email to the address designated by IHG. Hotel must submit the service credit claim to IHG on or before the fifteenth (15th) day following the end of the calendar month in which IHG failed to satisfy the "Monthly Uptime Availability" service level.
- If Hotel submits a timely service credit claim, IHG will use commercially reasonable endeavours to verify the service level failure. IHG's verification of the "Availability" of the PMS Solution during any given period will be binding and final.
- If IHG is able to verify the validity of Hotel's service credit claim, then IHG will provide a credit to Hotel for the amount of such service credit on Hotel's next invoice, which will be applied to reduce the amount owed by Hotel on such invoice.

vi. The service credits are Hotel's sole and exclusive remedy and HotelKey's and IHG's sole and entire liability for a failure to satisfy the "Monthly Uptime Availability" service level and any incident, event, or matter that caused HotelKey to fail to satisfy such "Monthly Uptime Availability" service level.

Attachment 2 – Privacy and Data Protection Terms

1.0 General

1.1. Pursuant to the Agreement, Personal Data is being disclosed for the limited and specific purposes set forth in the Agreement, and as set forth in **Attachment 2-A** with respect to HotelKey in its respective role as a Processor, and as otherwise mutually agreed to by the Parties.

1.2. Definitions. As used in this Attachment and in addition to the defined terms in Section 1.0 of the PMS Terms and Conditions, the following terms shall have the following meanings:

1.2.1. "**Controller**" means either IHG or Hotel as applicable with respect to particular Personal Data for which it determines the purposes and means of processing. This term is inclusive of such terms as "Business" under the Privacy Laws.

1.2.2. "**Excluded Personal Data**" means any sensitive personal data (as defined by applicable Privacy Laws), Government Identifiers, health and/or medical data, and vehicle/parking data.

1.2.3. **"Government Identifier"** means a combination of letters, numbers, or both, assigned by a government, or an agent or contracted service provider of a government, to an individual to enable the individual to be identified.

1.2.4. "**Hotel Personal Data**" means PMS Personal Data for which Hotel is an independent Controller and the Excluded Personal Data for which Hotel is the sole Controller.

1.2.5. "**IHG Marketing Data**" means Personal Data in respect of any member of IHG's or its Affiliates frequency marketing or rewards programs.

1.2.6. "**IHG Personal Data**" means a) the PMS Personal Data (excluding the Excluded Personal Data) for which IHG is an independent Controller and b) the IHG Marketing Data for which IHG is the sole controller.

1.2.7. "**Personal Data**" means any personal data, personal information, or personally identifying information (as such terms are defined in the applicable Privacy Laws), processed pursuant to or in connection with this Agreement.

1.2.8. "**PMS Personal Data**" means that Personal Data in the PMS Data that is processed by the PMS Solution.

1.2.9. "**Privacy Laws**" means to the extent applicable (a) the EU General Data Protection Regulation 2016/679 of the European Parliament and of the Council ("**GDPR**") and laws implementing or supplementing the GDPR in each Member State of the European Economic Area from time to time; (b) the GDPR as transposed into United Kingdom national law by operation of section 3 of the European Union (Withdrawal) Act 2018 and as amended by the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019, together with other data protection or privacy legislation in force from time to time in the United Kingdom; (c) all applicable United States federal or state privacy and data protection laws; (d) the Canada Personal Information Protection and Electronic Documents Act; and (e) any other analogous federal, national, state, provincial, or emirate privacy legislation in force from time to time, including where applicable, statues, regulations, rules, decisions, guidelines, guidance notes and codes of practice issued from time to time by courts, any supervisory authority, and other applicable authorities.

1.2.10. "**Processor**" and "**Subprocessor**" have the same meaning as in applicable Privacy Laws.

2.0 Role of the Parties

2.1. The Parties acknowledge and agree that Hotel is an independent Controller of the Hotel Personal Data and sole Controller of the Excluded Personal Data. IHG is an independent Controller of the

IHG Personal Data to the fullest extent permitted by the Privacy Laws; IHG is the sole Controller of the IHG Marketing Data. IHG and Hotel will be responsible for its compliance with the Privacy Laws with respect to its Personal Data.

2.2. If IHG or Hotel receives a request from an individual or authorized representative relating to the processing of Personal Data by another Party, the recipient will direct the individual/representative to submit their request directly to the respective Controller.

2.3. HotelKey is the Processor of Hotel where it is processing the PMS Personal Data to provide Hotel with the PMS Solution and Subprocessor of Hotel with respect to IHG Marketing Data.

2.4. IHG may provide certain additional services to Hotel in relation to the PMS. To the extent such services involve processing of Personal Data, IHG shall Process such Personal Data as Processor of Hotel under the terms of the relevant Hotel Franchise Agreement or Hotel Management Agreement or any additional terms agreed between IHG and Hotel.

2.5. HotelKey may act as Processor for IHG. The relationship between HotelKey and IHG is as set out in a separate agreement between HotelKey and IHG.

3.0 Processor

3.1. The provisions in this Section 3.0 apply to HotelKey as the Processor of the Hotel Personal Data and, where applicable, Subprocessor for the Hotel of the IHG Marketing Data to the extent this is included in the PMS Solution.

3.2. HotelKey will process Personal Data on behalf of Hotel for the purposes described in the Agreement, as set forth on **Attachment 2-A**, or as otherwise instructed. HotelKey will not retain, use, or disclose the Personal Data from the Controller for any commercial purpose other than (a) for the limited and specific purposes of providing the services under the Agreement; (b) using the Personal Data for the operational purposes permitted by the Privacy Laws; and (c) using the Personal Data to comply with its legal obligations. HotelKey will not retain, use, or disclose Personal Data outside of its direct business relationship with the Controllers or “sell” or “share” (as defined by the Privacy Laws) the Personal Data. If HotelKey is required by applicable Law to disclose the Personal Data to any entity other than a Party to this Agreement, HotelKey shall to the extent permitted by applicable Law inform Hotel and IHG of that legal requirement before the relevant disclosure of that Personal Data.

3.3. HotelKey will implement commercially reasonable physical, administrative, and technical security controls for its processing of Processed Data that are appropriate to the context and the risk of the Personal Data being processed that are designed to prevent the unlawful access or disclosure, unauthorized processing of, or accidental loss, destruction, damage, or alteration of the Personal Data.

3.4. HotelKey agrees not to combine Personal Data with other personal data that it receives from another entity or that it collects itself.

3.5. HotelKey grants to Hotel the right, upon prior written notice, to (a) take reasonable and appropriate steps to ensure that HotelKey’s processing of Personal Data is consistent with Controllers’ respective obligations under the Privacy Laws and (b) reasonably request that HotelKey stop and remediate any unauthorized use of Personal Data. If the information and steps requested under this clause is addressed in a SOC, ISO, NIST, PCI DSS or similar audit report issued by a qualified third party auditor within the prior 12 months and HotelKey provides such report with confirmation that there have been no material changes in the controls audited, then Hotel agrees to access such audit report in lieu of requesting further information or requesting additional steps to be taken under this clause.

3.6. Hotel specifically authorizes HotelKey to use the Subprocessors listed in **Attachment 2-A**. If HotelKey wishes to make changes to the list of Subprocessors, HotelKey shall notify Hotel in advance of the proposed change and thereby give Hotel an opportunity to object to the change. Such notification may be via publishing an updated list of Subprocessors on HotelKey’s website.

HotelKey's Subprocessors that process Personal Data on HotelKey's behalf shall be subject to a duty of confidentiality and have a written agreement that requires them to meet their obligations under the Privacy Laws and that is materially at least as protective as this Attachment.

3.7. HotelKey will cooperate and provide reasonable assistance to Hotel to promptly respond to and implement consumer requests under the Privacy Laws. To the extent requested by IHG or Hotel and/or required by the Privacy Laws, HotelKey will require its Subprocessors to implement consumer requests in the same manner as HotelKey. If processing a request to delete proves impossible or involves disproportionate effort, HotelKey will provide IHG and/or Hotel, as applicable, with a detailed explanation of the impossible or disproportionate effort required. If HotelKey makes available a self-service mechanism, Hotel will utilize the mechanism to fulfill its consumer requests to the fullest extent possible. Notwithstanding anything to the contrary, HotelKey shall not be obligated to provide or make available to Hotel any Personal Data that is unrelated to the Hotel. Notwithstanding anything to the contrary, the respective Controller shall always remain responsible for receiving, verifying, and responding to all consumer requests under the Privacy Laws.

3.8. HotelKey shall comply with its obligations and will provide the same level of privacy protection as required by the Privacy Laws. HotelKey shall notify Hotel if it determines that it can no longer meet its obligations under the Privacy Laws with respect to the Hotel Personal Data.

3.9. HotelKey will notify IHG and Hotel immediately and in any case within forty-eight (48) hours of becoming aware of the actual occurrence or the substantial likelihood of the occurrence of any loss, misuse, unauthorized access, unauthorized acquisition, unauthorized use of any Hotel Personal Data (a "**Security Incident**"). HotelKey shall cooperate with IHG and Hotel, to the extent requested by IHG and/or Hotel, in relation to any notifications following a Security Incident. HotelKey will permit IHG and Hotel exclusive control over the content of such notices related to a Security Incident. HotelKey must not issue or make available a statement, press release, or other communications that mentions IHG or Hotel that concerns a Security Incident without IHG's prior written approval.

3.10. HotelKey certifies that it understands and will comply with the restrictions contained in this Attachment 2 – Privacy and Data Protection Terms.

* * * * *

Attachment 2-A

Description of Processing

Subject matter and duration of processing	To provide the services to Hotel as set forth in the Agreement, including but not limited to the operation and maintenance of the PMS Solution, the processing of the PMS Data, and the transfer of PMS Data to IHG. The duration of the processing shall be the Term of the Agreement and any transition period following the end of the Term.
Nature and purpose of processing	Those processing activities which are necessary to enable HotelKey to install, configure, operate, and provide the PMS Solution.
Categories of Personal Data and Sensitive Data	Names, contact details, dates of birth, nationalities, genders, hotel stay preferences, other preferences, passport and other identification details, payment details, reservation details, dates of stay, signatures, front desk records, housekeeping and maintenance records, group management, reporting, finance, and property settings. Workforce members' names, contact details, and credentials.

Categories of Data Subjects	Guests, prospective guests, other users of hotel premises, and prospective, existing and former workforce members (employees or contractors).
Subprocessors	AWS

EXHIBIT H-1

EXHIBIT H
STATE ADDENDA

CALIFORNIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

OUR WEBSITES HAVE NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document, the following provisions shall supersede and apply to all licenses offered and sold in the State of California:

1. California Business and Professions Code, Sections 20000 through 20043, provide rights to the licensee concerning termination, transfer or non-renewal of a license. If the license agreement contains a provision that is inconsistent with the law, the law will control.

2. The License Agreement provides for termination upon bankruptcy. This provision may not be enforceable under the U.S. Bankruptcy Code (11 U.S.C.A. Sec. 101 et seq).

3. The License Agreement contains a provision requiring application of the laws of Georgia. This provision may not be enforceable under California law.

4. The License Agreement requires venue to be limited to Georgia. This provision may not be enforceable under California law.

5. The License Agreement provides for liquidated damages. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. This provision may not be enforceable under California law.

5. California Corporations Code, Section 31125, may require that we give you a disclosure document approved by the Department of Financial Protection and Innovation before we ask you to consider a material modification of your License Agreement.

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

7. California Corporations Code, Section 31119, states that it is unlawful to sell any franchise/license in California that is subject to registration under this law without first providing to the prospective licensee, at least 14 days prior to the execution by the prospective licensee of any binding license or other agreement, or at least 14 days prior to the receipt of any consideration, whichever occurs first, a copy of the offering circular, together with a copy of all proposed agreements relating to the sale of the license.

8. Neither Holiday nor any person or franchise broker disclosed in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a *et seq.*, suspending or expelling such persons from membership in such association or exchange.

9. Prospective licensees 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 License Agreement restricting venue to a forum outside the State of California.

10. The License Agreement contains a provision requiring you to waive your right to punitive damages against Holiday any of its representatives, limiting your recovery to actual damages.

Under California Corporations Code Section 31512, this provision may not be enforceable in California for any claims you may have under the California Franchise Investment Law.

11. To the extent mandated under California law, no statement, questionnaire, or acknowledgement signed or agreed to by a licensee 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 Holiday. This provision supersedes any other term of any document executed in connection with the license.

12. This California addendum applies only if the California Franchise Investment Law and the California Franchise Relations Act would apply on their own, even if Holiday did not provide this addendum.

HAWAII ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

THESE FRANCHISES WILL BE OR HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED 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 FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE 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.

A. This proposed registration is on file with (or exempt from the registration requirements of) the states of California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

B. No states have refused, by order or otherwise, to register these franchises.

C. No states have revoked or suspended the right to offer these franchises.

D. The proposed registration of these franchises has not been withdrawn in any state.

E. No release language set forth in the License Agreement will relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Hawaii.

F. Hawaii Administrative Rule Chapter 37 §16-37-4 (7) requires that we notify you that:

"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 DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES 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 OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE. THIS OFFERING CIRCULAR 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."

G. This Hawaii addendum applies only if the Hawaii franchise law would apply on its own, even if Holiday did not provide this addendum.

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT PURSUANT TO THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the Franchise Disclosure Document for use in the State of Maryland shall be amended as follows:

1. The general release language contained in the License Agreement shall not relieve the Licensor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Maryland.

2. The License Agreement provides that it may be terminated immediately upon, among other things, the Licensee commencing any case, proceeding or other action seeking reorganization, etc. under any law relating to bankruptcy, etc. This provision may not be enforceable under federal law relating to bankruptcy.

3. The laws of the State of Maryland may supersede the License Agreement, including the areas of termination and renewal of the License.

4. Any claims arising under the Maryland Franchise Registration and Disclosure Laws must be brought within three years after the grant of the License.

5. 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, any statement, questionnaire, or acknowledgment in the License Agreement that is not permitted under the Interpretive Opinion is deleted in its entirety and shall have no force or effect.

6. This Maryland addendum applies only if the Maryland Franchise Registration and Disclosure Law would apply on its own, even if Holiday did not provide this addendum.

NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document, the following provisions shall supersede and apply to all licenses offered and sold in the State of North Dakota:

1. The laws of the State of North Dakota supersede any provisions of the License Agreement or Georgia law if such provisions are in conflict with North Dakota law.

2. Any provision in the License Agreement which designates jurisdiction or venue or requires the Licensee to agree to jurisdiction or venue, in a forum outside of North Dakota, is deleted from License Agreements issued in the State of North Dakota.

3. No release language set forth in the License Agreement shall relieve Holiday or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of North Dakota.

4. Item 17(i) of the Franchise Disclosure Document, Paragraph 11.E ("Payment of Liquidated Damages" of the License Agreement may require licensee to pay liquidated damages. This requirement may not be enforceable in the State of North Dakota.

5. Paragraphs 13.B.2 and 13.B.3 of the License Agreement ("No Jury Trial and Punitive Damages") requires the licensee to consent to a waiver of trial by jury and punitive damages. This requirement may not be enforceable in the State of North Dakota.

RHODE ISLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document, the following provisions shall supersede and apply to all franchises offered and sold in the State of Rhode Island.

ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

Section 19-28.1.-14 of the Rhode Island Franchise Investment Act provides that "A provision in a License 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."

Any provision in the License which designates the governing law as that of any state other than the State of Rhode Island is deleted from Licenses issued in the State of Rhode Island.

VIRGINIA ADDENDUM TO THE DISCLOSURE DOCUMENT

In recognition of the restrictions contained in Article 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure: The following statements are added to Item 17. h

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

This Virginia addendum applies only if the Virginia Retail Franchising Act would apply on its own, even if Holiday did not provide this addendum.

WASHINGTON ADDENDUM TO THE DISCLOSURE DOCUMENT

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document, the following provisions shall supersede and apply to all licenses offered and sold in the State of Washington:

1. If any of the provisions in the franchise disclosure document or license agreement are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the inconsistent provisions of the franchise disclosure document and license agreement with regard to any license sold in Washington.

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

3. The State of Washington has a statute, RCW 19.100.180 which may supersede the License Agreement in your relationship with Holiday including the areas of termination of your franchise. There may also be court decisions which may supersede the License Agreement in your relationship with the Franchisor including the areas of termination of your franchise.

4. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW, shall prevail to the extent they apply.

5. Transfer fees may only be collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

6. Holiday will have no obligation upon the expiration of your License Agreement to offer the licensee a continued right to operate its Hotel, and the licensee may be required at that time to stop operating its Hotel and to comply with all post-termination obligations.

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

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

9. This Washington addendum applies only if the Washington franchise law would apply on its own, even if Holiday did not provide this addendum.

EXHIBIT I-1

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective
California	April 15, 2025
Hawaii	*Pending*
Illinois	April 15, 2025
Indiana	April 15, 2025
Maryland	*Pending*
Michigan	*Pending*
Minnesota	April 15, 2025
New York	April 15, 2025
North Dakota	*Pending*
Rhode Island	*Pending*
South Dakota	*Pending*
Virginia	*Pending*
Washington	*Pending*
Wisconsin	*Pending*

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT J-1

EXHIBIT J
RECEIPT
voco™ 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.

If Holiday Hospitality Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Holiday Hospitality Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the state agency listed on Exhibit E.

The franchisor is Holiday Hospitality Franchising, LLC, located at Three Ravinia Drive, Suite 100, Atlanta, Georgia 30346. Its telephone number is (770) 604-2000.

Issuance date: April 15, 2025

The franchise seller for this offering is [name]_____, [title]_____, Holiday Hospitality Franchising, LLC, Three Ravinia Drive, Suite 100, Atlanta, Georgia 30346, (770) 604-2000.

Holiday Hospitality Franchising, LLC authorizes the respective state agencies identified on Exhibit D to receive service of process for it in the particular state.

I received a disclosure document dated April 15, 2025, that included the following Exhibits:
Exhibit A Franchise Application
Exhibit B-1 License Agreement
Exhibit B-2 State Addenda to License Agreement
Exhibit C Agents For Service of Process
Exhibit D State Franchise Administrators
Exhibit E-1 List of Franchisees as of December 31, 2024
Exhibit E-2 List of Franchised Hotels Terminated, Canceled, Not Renewed in 2024
Exhibit F-1 Financial Statements for Holiday Hospitality Franchising, LLC
Exhibit F-2 Financial Statements for Six Continents Hotels, Inc.
Exhibit G-1 IHG Voice Reservation Service Agreement
Exhibit G-2 Revenue Services and Commercial Services Agreement
Exhibit G-3 Coca-Cola Participation Agreement
Exhibit G-4 NGP Participation Agreements
Exhibit G-5 Form IHG Direct Hotel Participation Agreement
Exhibit G-6 Form IHG Wi-Fi Connect Agreement
Exhibit G-7 Oracle New Account Setup Form
Exhibit G-8 AT&T Participation Agreement
Exhibit G-9 HP Joinder Agreement
Exhibit G-10 Microsoft Participation Agreement
Exhibit G-11 Next Gen PMS Participation Agreement
Exhibit H State Addenda to Franchise Disclosure Document
Exhibit I State Effective Dates Page
Exhibit J Receipts

Dated: _____

PROSPECTIVE FRANCHISEE:

_____
Signature

_____
Print Name

_____
Company Name

_____
Title with Company

_____
Address

_____
Address

Please return the signed receipt by completing all of the blanks above and mailing it to Attn. Franchise Sales, Holiday Hospitality Franchising, LLC, Three Ravinia Drive, Suite 100, Atlanta, Georgia 30346, (770) 604-2000.

April 15, 2025 *(_____)*
Location # - Internal Use Only

EXHIBIT J
RECEIPT
voco™ HOTELS

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New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Holiday Hospitality Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the state agency listed on Exhibit E.

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Exhibit G-8 AT&T Participation Agreement
Exhibit G-9 HP Joinder Agreement
Exhibit G-10 Microsoft Participation Agreement
Exhibit G-11 Next Gen PMS Participation Agreement
Exhibit H State Addenda to Franchise Disclosure Document
Exhibit I State Effective Dates Page
Exhibit J Receipts

Dated: _____

PROSPECTIVE FRANCHISEE:

_____
Signature

_____
Print Name

_____
Company Name

_____
Title with Company

_____
Address

_____
Address

Please return the signed receipt by completing all of the blanks above and mailing it to Attn. Franchise Sales, Holiday Hospitality Franchising, LLC, Three Ravinia Drive, Suite 100, Atlanta, Georgia 30346, (770) 604-2000.

April 15, 2025 *(_____)*
Location # - Internal Use Only