



FRANCHISE DISCLOSURE DOCUMENT

Hyatt Franchising, L.L.C.
a Delaware limited liability company
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The franchise offered is to operate an upscale, full service Hyatt Regency Hotel.

The total investment necessary to begin operation of a Hyatt Regency Hotel ranges from \$52,448,450 to \$372,463,450. This includes \$357,350 to \$1,575,000 that must be paid to the franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Rebecca Smetters (rebecca.smetters@hyatt.com) at 150 North Riverside Plaza, Chicago, Illinois 60606, and (312) 780-5828.

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

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

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

Issuance date of this Franchise Disclosure Document: March 28, 2022

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits H and I.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Hyatt Regency Hotel business in my area?	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What’s it like to be a Hyatt Regency Hotel franchisee?	Item 20 or Exhibits H and I 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 franchise business.

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

Some States Require Registration

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

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

Special Risks to Consider About *This Franchise*

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

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

**THE FOLLOWING PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY
THE MICHIGAN FRANCHISE INVESTMENT LAW**

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

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

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

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

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

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

State of Michigan
Consumer Protection Division
Attn: Franchise
670 G. Mennen Building
Lansing, Michigan 48913
Telephone Number: (517) 335-7567

Despite paragraph (f) above, we intend and you agree to enforce fully the provisions of the arbitration section of our Franchise Agreement. We believe that paragraph (f) is unconstitutional and cannot preclude us from enforcing the arbitration provisions.

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Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this disclosure document, “we,” “us” or “our” means Hyatt Franchising, L.L.C., the franchisor. “You” means the entity acquiring a franchise. One or more of the owners of a Controlling Ownership Interest (defined in Item 15) in you who we specify must sign the Guaranty and Assumption of Obligations, which means that all provisions of the Franchise Agreement (Exhibit C) also will apply to those owners. We expect that only entities, and not individuals, will acquire our franchises.

Our Company History and Parent

We incorporated in Delaware as Hyatt Franchise Corporation and converted under Delaware law to Hyatt Franchising, L.L.C., a Delaware limited liability company. This change in form did not affect our existence as an operating business entity. Our principal business address is 150 North Riverside Plaza, Chicago, Illinois 60606. If we have an agent for service of process in your state, we disclose that agent in Exhibit E. We do business only under our company name and the Proprietary Marks (defined below). We have never operated Hyatt Regency Hotels (defined below), but some of our affiliates do. We have no predecessors and no business activities that are not described here. Our parent company is Hyatt Hotels Corporation, whose principal business address is the same as our address. We offered franchises for Hyatt Regency Hotels from December 1994 until April 1997 and have again offered franchises since September 2006. We offered franchises for full service hotels under the Hyatt® name (without a sub-brand) from December 1994 until April 1997 and again from September 2006 until January 2015. There currently are 6 full service hotels which operate under the Hyatt name (without a sub-brand), 4 of which are franchised. We also have offered franchises for full service hotels operating under the Hyatt Centric® name since February 2015 and franchises for unique, up-scale accommodations and hospitality affiliations operating in the United States under their own names but associated with The Unbound Collection by Hyatt® name since June 2016. We began offering franchises for “lifestyle” hotels operating in the United States under the brand names “Destination®” and “joie de vivre®” (also referred to as “JDV®”) in May 2019 and under the brand name “Caption by Hyatt” in September 2019. We now refer to these brands as “Destination by Hyatt™”, “JdV by Hyatt™” and “Caption by Hyatt” respectively. We have never offered franchises in any other line of business.

Franchise Rights for Hyatt Regency Hotels

We grant franchises for, and some of our affiliates operate, full service hotels that use the Hotel System (defined below) and are identified by the Proprietary Marks (“Hyatt Regency Hotels”). Hyatt Regency Hotels typically have 250 to 500 guest rooms and offer a full range of food and beverage facilities, banquet services, and meeting and convention facilities. We call the Hyatt Regency Hotel that you will operate under the Franchise Agreement your “Hotel.” You operate the Hotel only from the location we approve before signing the Franchise Agreement.

The “Hotel System” means the concept and system associated with the establishment and operation of Hyatt Regency Hotels, as we periodically modify it. The Hotel System now includes: (a) the trade names, trademarks, and service marks “Hyatt Regency” and other trade names, trademarks, service marks, logos, slogans, trade dress, domain names, and other source and origin designations (including all derivatives) that we or our affiliate periodically develops and we periodically designate for use with the Hotel System (collectively, the “Proprietary Marks”); (b) all copyrightable materials that we or our affiliate periodically develops and we periodically designate for use with the Hotel System, including the manuals, electronic media, marketing materials (including advertising, marketing, promotional, and public relations materials), architectural drawings (including the Design Standards (defined below) and all architectural plans, designs, and layouts, such as site, floor, plumbing, lobby, electrical, and landscape plans), building designs, and business and marketing plans, whether or not registered with the U.S. Copyright Office (collectively, the “Copyrighted Materials”); (c) all Confidential Information (defined in Item 14); (d) the standards that Hyatt periodically prescribes detailing certain design criteria to be incorporated into the design and layout of the Hotel, and Hyatt’s minimum standards for engineering and construction of newly constructed, renovated, or adapted Hyatt Regency Hotels, all as Hyatt determines them (the “Design and Construction Standards”) as set forth in Exhibit D; (e) the central reservations system and related services for Hyatt Regency Hotels, as we may periodically modify it (“CRS”); (f) the global distribution systems (“GDS”) and the online travel agencies and other alternative distribution systems (“ADS”) that we periodically authorize or require for the Hotel and other similarly situated Hyatt Regency Hotels, subject to Reasonable Deviations (defined in Item 8); (g) management, personnel, and operational training programs, materials, and procedures; (h) standards, specifications, procedures, and rules for operations, marketing, construction, equipment, furnishings, and quality assurance that we implement and may periodically modify for Hyatt Regency Hotels (collectively, “System Standards”) we describe in our confidential manuals, as we periodically amend them, or in other written or electronic communications; (i) marketing, advertising, and promotional programs; and (j) Mandatory Services and Non-Mandatory Services (each defined in Item 6).

Before signing the Franchise Agreement, and while you apply for franchise rights, you must submit the Franchise Application (Exhibit B) through our online portal and pay the Application Fee (defined in Item 5). We will refund the Application Fee less a fee to cover our costs if you withdraw your franchise application before we approve it or if we do not approve it. During your evaluation process, and before receiving any Confidential Information, you must sign the Confidentiality Agreement (Exhibit G) (the “Confidentiality Agreement”). Because we may engage in negotiations with you and other franchisees, you may sign a Franchise Agreement with us that differs significantly from the agreements that other franchisees sign for Hyatt Regency Hotels.

Competition and the Market

The hotel market is well-established and highly competitive. Hyatt Regency Hotels compete with other national full service hotel systems and with regional and local hotels that offer comparable services and lodging products. Hyatt Regency Hotels will target both corporate business travelers and family weekend leisure travelers. Some competitors of Hyatt Regency Hotels may be larger, may operate more hotels and may have greater resources than we do. Other competitive factors include room rates, quality of accommodations, name recognition, service

levels, geographic area, site location, general economic conditions and your management capabilities.

Our Affiliates Who Supply the Franchise Network or Offer Franchises

The following companies are our affiliates who currently provide products or services to Hyatt Regency Hotel franchisees.

- Hyatt Corporation administers the “World of Hyatt” program, under which members earn points for eligible amounts guests spend at Hyatt Network Hotels and resorts worldwide. “Hyatt Network Hotels” are Hyatt Regency Hotels and other hotels, resorts, lodging facilities and other accommodations and hospitality affiliations that we, our affiliates, or our or their franchisees or licensees periodically own and/or operate under the name “Hyatt” or another brand that any of our affiliates own, regardless of whether those brands utilize the “Hyatt” mark in their names. Other companies that provide hospitality or hospitality-related services to members, including other hotel operators, airlines and car rental companies, as well as branded hotel chains that Hyatt Corporation’s affiliates own, manage or license, also participate in the World of Hyatt program. Hyatt Corporation also will provide most of the Mandatory Services and Non-Mandatory Services to Hyatt Regency Hotel franchisees. Hyatt Corporation (directly or through affiliates) has owned, operated and/or managed hotels since 1957 and currently owns, operates, and manages (directly or through affiliates) hotels under several brands, including Hyatt®, Hyatt Centric®, Hyatt Regency®, Grand Hyatt®, Park Hyatt®, Hyatt House®, Hyatt Place®, The Unbound Collection by Hyatt®, Andaz®, Miraval®, Alila®, Destination by Hyatt™, JdV by Hyatt™, Thompson Hotels®, Caption by Hyatt™ and AMR™ Collection. Hyatt Corporation has never offered franchises in any line of business.
- Rosemont Project Management, L.L.C. (“Rosemont”) is a purchasing company that provides optional project management services and purchasing services for certain furniture, fixtures and equipment that Hyatt Regency Hotels use. Rosemont has never operated hotels or offered franchises in any line of business.

Hyatt Corporation’s and Rosemont’s principal business addresses are the same as our address. We call Hyatt Corporation, Rosemont, us, and any of our other affiliates who also are subsidiaries of Hyatt Hotels Corporation that currently, or may in the future, provide goods or services to you during the Franchise Agreement’s term, the “Hyatt Group.”

The following companies are our affiliates who currently offer franchises or licenses in the United States and around the world. The branded hotels that some of these affiliates operate or franchise might use the same reservations systems and other systems and processes as Hyatt Regency Hotels.

- Hyatt Franchising Canada Corp. (“Hyatt Franchising Canada”) has offered franchises for full service hotels operating in Canada since November 2007. Hyatt Franchising Canada has never operated hotels or offered franchises in any other

line of business. Hyatt Franchising Canada’s principal business address is the same as our address.

- Hyatt International (Europe Africa Middle East) LLC (“Hyatt International EAME”) has offered franchises for full service hotels, select service hotels and/or extended stay hotels operating in the European Union since June 2014. Hyatt International EAME has never operated hotels or offered franchises in any other line of business. Hyatt International EAME’s principal business address is Balz Zimmermannstrasse 7, 8152 Opfikon, Zurich, Switzerland.
- Hyatt Place Franchising, L.L.C. (“Hyatt Place”) has offered franchises for select service hotels operating in the United States under the Hyatt Place® name since September 2005. Hyatt Place has never operated hotels or offered franchises in any other line of business. Hyatt Place’s principal business address is the same as our address.
- Hyatt Place Canada Corporation (“Hyatt Place Canada”) has offered franchises for select service hotels operating in Canada under the Hyatt Place® name since August 2006. Hyatt Place Canada has never operated hotels or offered franchises in any other line of business. Hyatt Place Canada’s principal business address is the same as our address.
- Hyatt House Franchising, L.L.C. (formerly known as Summerfield Hotel Company, L.L.C. and before that as Summerfield Hotel Company L.P.) (“Hyatt House”) has offered franchises for extended stay hotels operating in the United States since August 1999. Hyatt House has never operated hotels or offered franchises in any other line of business. Hyatt House’s principal business address is the same as our address.
- Hyatt House Canada, Inc. (formerly known as Hyatt Summerfield Suites Canada, Inc.) (“Hyatt House Canada”) has offered franchises for extended stay hotels operating in Canada since September 2007. Hyatt House Canada has never operated hotels or offered franchises in any other line of business. Hyatt House Canada’s principal business address is the same as our address.
- Hyatt Franchising Latin America, L.L.C. (“Hyatt Franchising Latin America”) has offered franchises for select service hotels, extended stay hotels, full service hotels and/or all-inclusive resorts operating in the Caribbean, Mexico, Central America, and South America since February 2013. Hyatt Franchising Latin America has never operated hotels or all-inclusive resorts or offered franchises in any other line of business. Hyatt Franchising Latin America’s principal business address is the same as our address.
- Hyatt International – Asia Pacific, Limited (“Hyatt International Asia Pacific”) has offered franchises for full service hotels and select service hotels in Asia since July 2016. Hyatt International Asia Pacific has never operated hotels or offered franchises in any other line of business. Hyatt International Asia Pacific’s principal

business address is Suite 1301, 13/F, The Gateway, Tower 1, 25 Canton Road, Kowloon, Hong Kong.

Industry-Specific Regulations

You must comply with a number of federal, state and local laws that apply generally to establishing and operating hotel businesses. The laws involve, among other things, zoning and construction, public accommodations, accessibility by persons with disabilities, health and safety, and labor. Many laws vary from jurisdiction to jurisdiction. You must learn about and comply with all applicable laws. Examples of these laws include:

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

Alcoholic Beverages. Alcoholic beverage service in a Hyatt Regency Hotel is subject to extensive regulations and licensing governing virtually all aspects of the beverage service.

Facility Operations. Lodging facilities must comply with innkeepers' laws that, among other things, might (i) allow innkeepers under certain circumstances 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 rights of innkeepers to refuse lodging to certain guests; and (vi) limit innkeepers' rights to evict guests under 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 also have enacted laws and regulations governing non-smoking areas and guest rooms.

Persons with Disabilities. The Accessibility Laws, which include the Americans with Disabilities Act ("ADA") and all other laws, rules, regulations and ordinances governing accommodations for or relationships with persons with disabilities or similar individuals, as periodically in effect, require (among other things) that public accommodations, including hotels, (i) offer facilities without discriminating against persons with disabilities; (ii) offer auxiliary aids and services to enable a person with a disability to use and enjoy the establishment's goods or services if doing so is not unduly burdensome or disruptive to business; and (iii) remove barriers to mobility or communication to the extent readily achievable. The U.S. Department of Justice has published "accessibility guidelines" ("ADAAG") that specify, among other things, a minimum number of handicapped-accessible rooms, assistance devices for hearing, speech, and visually impaired persons, and general design standards that apply to all areas of facilities. Under the ADA, all new public accommodations and commercial facilities must be "readily accessible to and useable by individuals with disabilities," unless it would be structurally impractical to do so. Alterations of existing facilities also might need to comply with the ADA and ADAAG. In addition, many states and municipalities have their own laws and regulations addressing disability

discrimination, access requirements, building modifications and alterations and building code requirements.

Fire Safety. The Hotel and Motel Safety Act of 1990 (the “Safety Act”) encourages public accommodations to install hard wired single-station smoke detectors. Certain travel directories include only those facilities that comply with the Safety Act. Other state and local fire and life safety codes might require maps, lighting systems and other safety measures unique to lodging facilities.

OSHA Regulations. Like many other businesses, lodging facilities are subject to Occupational Safety and Health Administration (“OSHA”) standards. State occupational safety laws and rules may also apply.

Telephone Charges. Federal, state and local laws and regulations affect the re-offering of local, intrastate, and long distance telephone service in hotel guest rooms and at coin box telephones. Some states regulate or prohibit surcharges on local and intrastate calls.

In addition to these laws, you must also comply with laws that apply generally to all businesses. You should investigate these laws.

Item 2

BUSINESS EXPERIENCE

Executive Vice President - Global Franchising and Development: Jim Chu

Mr. Chu has been our Executive Vice President – Global Franchising and Development since March 2021. From March 2018 through February 2021, he was our Global Head of Development and Owner Relations. Before that, he was our Global Head – Select Service and Franchise Strategy from August 2016 through February 2018. He was our Senior Vice President – Franchising from April 2012 until August 2016. He has been the Global Head of Development and Owner Relations for Hyatt Place and Hyatt House since March 2018, was Global Head -- Select Service and Franchise Strategy for Hyatt Place and Hyatt House from August 2016 through February 2018, and was their Senior Vice President – Franchising from August 2005 (for Hyatt Place) and January 2006 (for Hyatt House) until August 2016. Each of Mr. Chu’s positions with us and our affiliates has been in Chicago, Illinois.

Executive Vice President, Group President – Americas: Peter Sears

Mr. Sears has been our and Hyatt Hotels Corporation’s Executive Vice President, Group President – Americas in Chicago, Illinois since September 2014. Mr. Sears was Senior Vice President of Operations – Asia Pacific for Hyatt Hotels Corporation in Hong Kong from September 2012 until August 2014. He was Senior Vice President of Operations – North America for Hyatt Hotels Corporation in Chicago, Illinois from June 2009 until August 2012.

Senior Vice President – Real Estate and Development: David Tarr

Mr. Tarr has been our Senior Vice President – Real Estate and Development since November 2007 and a Senior Vice President – Real Estate and Development, North America Division, for Hyatt Hotels Corporation in Chicago, Illinois since September 2007.

Senior Vice President, Franchise Operations: Paul Daly

Mr. Daly has been our Senior Vice President, Franchise Operations since March 2021. He has also been the Senior Vice President, Franchise Operations for Hyatt Place Franchising, L.L.C. and Hyatt House Franchising, L.L.C. since March 2021. He was the Senior Vice President, Global Select and Franchise Operations for Hyatt Place Franchising, L.L.C. and Hyatt House Franchising, L.L.C. from August 2019 to March 2021. From August 2018 until August 2019, he was Global Head of Guest Satisfaction Innovation for Hyatt Hotels Corporation in Chicago, Illinois. From March 2017 to August 2018, Mr. Daly was an Area Vice President and General Manager at Hyatt Regency O’Hare in Rosemont, Illinois. From June 2015 to March 2017, he was the Hotel Manager for the Hyatt Regency Chicago in Chicago, Illinois. From October 2012 to June 2015, Mr. Daly was the General Manager for the Hyatt Regency McCormick Place in Chicago, Illinois.

Item 3

LITIGATION

No litigation is required to be disclosed in this Item.

Item 4

BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

Item 5

INITIAL FEES

Application Fee

You will pay us a lump-sum application fee (the “Application Fee”) when you submit the Franchise Application through our online portal. The Application Fee is \$100,000 or \$400 per guest room in the Hotel, whichever is greater. If you withdraw your Franchise Application before we approve it, or if we do not approve your Franchise Application for any reason, then we will refund your Application Fee less a \$10,000 fee to cover our costs for evaluating your application. After we approve your Franchise Application, the Application Fee is not refundable, even if we and you do not sign a Franchise Agreement. If you and we agree to add any guest rooms to the Hotel before the Hotel opens, then you must pay us, when we approve the additional guest rooms,

an additional non-refundable Application Fee of \$400 multiplied by the number of additional guest rooms at the Hotel.

Comfort Letter Fee

You must obtain a comfort letter or similar agreement, the current form of which is attached as Exhibit J, that we reasonably specify from each lender, each ground lessor (if applicable), the owner of fee simple title to the Hotel's real property or building and improvements (if you are not that owner), and each other entity with an interest (or any power or right, conditional or otherwise, to acquire an interest) in the Hotel's real property or building and improvements (each a "Comfort Letter Party"). Under this comfort letter or similar agreement, the Comfort Letter Party agrees (among other things) to assume your obligations under the Franchise Agreement (subject to our rights under the Franchise Agreement) if the Comfort Letter Party or any of its affiliates acquires title or otherwise assumes possession, or the right to sell or direct the disposition of, the Hotel's real property or building and improvements. You must pay our then applicable, non-refundable comfort letter fee, which currently is \$2,500, for each comfort letter that we negotiate relating to the Hotel.

Consulting Services

At your option, you may ask Rosemont, our affiliate, to assist you with pre-opening consulting services for the Hotel. Rosemont's fees for this optional assistance would range from \$45,000 to \$215,000, depending on how much and what kind of assistance you ask Rosemont to provide.

IT Project Management Services

We will use commercially reasonable efforts to provide IT Project Management Services, which are described in Exhibit E of the Franchise Agreement, in connection with the opening of the Hotel ("IT Project Management Services"). Our performance is dependent on your timely, accurate, and effective performance of all responsibilities set forth in Exhibit E to the Franchise Agreement. These services include blueprint review and IT project management and planning and installation, configuration and training services for Hyatt proprietary systems. You must pay us non-refundable fees in the amount of \$69,900 plus reimbursement of our or our affiliate's reasonable expenses in rendering the IT Project Management Services, including any necessary transportation, lodging and meals (which we anticipate will range from \$10,000 to \$16,000), plus applicable taxes thereon. The IT Project Management Services Fee (including expenses) will be invoiced by us no earlier than: (a) our completion of a IT Project Management Services or (b) upon your termination of the Hotel development project or the IT Project Management Services, for any reason, in either event regardless of whether we have approved the Hotel for opening.

Additional Pre-Opening Advisory Services

You may request additional guidance, services or assistance during the Pre-Opening Period concerning the development, construction, or inspection and approval process that is beyond what we typically provide to similarly situated Hyatt Regency Hotels. If we agree to provide this additional guidance and advice (for example, making more than a reasonable number of visits to the Hotel during the development and construction period), then you must pay our then current

fees for our services. The costs of these fees will vary depending on the additional guidance or service you request, but we estimate that you may pay between \$0 and \$450,000 for additional services or guidance before the Hotels opens.

Pre-Opening Training Fees and Expenses

In connection with the Hotel opening, we will provide training to the Hotel staff on brand standards and related issues. We may conduct training via remote learning, or in person (in one or more visits to the Hotel), or both, as we determine in our sole discretion. We currently estimate that these fees will range from \$12,950 to \$31,950. You must pay these amounts upon receiving our invoice and before the pre-opening team arrives at the Hotel. You also must pay us and our affiliates for many of the different training programs that we offer to Hotel personnel. These fees and expenses will vary depending on how many people attend each particular training program, how much training they need, and where we conduct training. You must pay the travel and living expenses associated with any brand standards training we provide on site at the Hotel. We currently expect these training expenses (including reimbursement of our expenses) will range from \$87,000 to \$194,000.

Extension Fee

If you are constructing a new Hotel, you must start and complete construction and open the Hotel, according to the timetables in the Franchise Agreement. If you are converting an existing hotel to a Hotel, you must start renovation and open the Hotel under the Hotel System according to the timetables in the Franchise Agreement. We may terminate the Franchise Agreement if you fail to meet the required timetable. You may request one or more extensions of time by giving us written notice and paying a \$10,000 “Extension Fee.” We will inform you of the length of the extension if and when we grant it. We will refund the Extension Fee only if we deny the extension. We reserve the right to waive this fee under certain circumstances.

Design Services Review

If you are constructing a new Hyatt Regency Hotel or adapting a non-hotel space for use as a Hyatt Regency Hotel, then you will also pay a Design Services Review Fee. The amount of the fee will vary depending on the size and location of the project and the scope of Hyatt’s review, but we expect the Design Services Review Fees payable under the Franchise Agreement to range from \$75,000 to \$160,000.

Revenue Optimization Services

You may elect to begin receiving certain revenue optimization services for your Hotel before the Hotel begins operating under the Proprietary Marks under our Service Agreement for Revenue Optimization Services (Exhibit M). Depending on some factors concerning your (or your approved management company’s) experience, we may in some situations require you to sign our Service Agreement for Revenue Optimization Services and receive revenue services from us. If you sign the Service Agreement for Revenue Optimization Services, then we will provide specialized central revenue optimization services on a daily, weekly, monthly, and annual basis to assist you in a variety of essential Hotel functions, including resource planning, inventory controls, market segmentation, and industry and competitor analyses for the Hotel (as more specifically

described in Exhibit M). The current, non-refundable monthly subscription fee due under the Service Agreement for Revenue Optimization Services is dependent upon the service tier level then in effect: for “Essential” Tier Level: \$825 per month for calendar months preceding the Opening Month (if applicable) and \$1,650 per month from and after the Opening Month; and for the “Premium” Tier Level: \$2,475 per month for calendar months preceding the Opening Month (if applicable) and \$3,300 per month from and after the Opening Month. “Opening Month” means the calendar month in which the Hotel first opens to the public as a Hyatt branded or affiliated hotel, but if that date occurs after the 16th day of the month, then the “Opening Month” is the immediately following calendar month. We would provide services under the Service Agreement for Revenue Optimization Services for up to 90 days before the anticipated or scheduled opening date of the Hotel for the “Essential” service tier level or for up to 120 days before the anticipated or scheduled opening date of the Hotel for the “Premium” service tier level. You must pay these amounts within 30 days after you receive each invoice for services rendered and expenses incurred during the previous month. The total amount you may pay us for pre-opening revenue optimization services ranges from \$0 to \$9,900. We also reserve the right to charge you for reimbursement of expenses reasonably incurred by us, including for transportation and related expenses, printing, photocopying, postage, and delivery services. We may periodically increase these fees at any time upon 30 days’ written notice to you, but we may not increase these fees by more than 10% per calendar year. These payments are not refundable.

Field Marketing Program.

Three to six months prior to the opening of your Hotel, you may elect to receive from the Hyatt Group certain centralized resources to guide and support local integrated marketing for hotels that leverage the expertise of a designated field marketing team for a fee (which may contain a profit component, not to exceed a competitive amount), pursuant to a Field Marketing Program Opt-In Agreement (Exhibit L) (the “Field Marketing Program Opt-In Agreement”). Inclusions and deliverables vary by service level, and may include management of local digital marketing, regional marketing campaigns, website management, social media consultation, local promotion creation and execution, and brand activations. The total amount you may pay us for pre-opening field marketing services ranges from \$0 to \$13,250.

Refundability and Range of Initial Fees

Except as we describe above concerning the Application Fee and Extension Fee, none of these payments are refundable under any circumstances. In addition, other than the Application Fee, Extension Fee and Comfort Letter Fee, all of the ranges of initial fees described in this Item 5 reflect the current fees for services rendered and depending on when the Hotel is developed or remodeled, may be higher in subsequent years. During our 2021 fiscal year, Hyatt Regency Hotel franchisees signing our Franchise Agreement paid, or made commitments to pay, total initial fees as described in this Item 5 to us and/or our affiliates ranging from \$94,822 to \$296,922.

Item 6

OTHER FEES

We group the ongoing fees that you will pay to us and other companies in the Hyatt Group when operating the Hotel into 3 categories. The first category includes the fees that the Franchise Agreement specifies. Except as described below, these fees are typically imposed and collected by and payable to us. The second category includes the fees for certain Mandatory Services that the Hyatt Group provides to Hyatt Regency Hotels and other Hyatt Network Hotels. The third category includes the fees for certain Non-Mandatory Services that the Hyatt Group provides to Hyatt Regency Hotels and other Hyatt Network Hotels that choose to acquire these services from the Hyatt Group. The fees in the second and third group are typically imposed and collected by and payable to Hyatt Corporation. At times we may collect amounts on behalf of our affiliates for services that they provide to franchisees. This Item does not cover the ongoing fees or payments relating to the Hotel’s operation that you pay directly to third parties.

Except for the transfer fee, all fees are non-refundable. In some cases we might negotiate some of the fees that some franchisees will pay, such as franchisees agreeing to develop multiple Hyatt Regency Hotels or acquiring existing Hyatt Regency Hotels. Otherwise, except as described below, all fees are uniform or are calculated on a uniform basis. There currently are no franchisee advertising cooperatives in the Hyatt Regency Hotel network.

Fees Under the Franchise Agreement

You will pay these fees to us under the Franchise Agreement.

OTHER FEES

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Royalty Fee	6% of Gross Rooms Revenue and 3% of Gross F&B Revenue	10 th day of each month or later day we periodically specify (“Payment Day”) based on Gross Rooms Revenue and Gross F&B Revenue during previous month	See Notes 1 and 2

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
World of Hyatt program assessment	Currently 4.5% of eligible revenue or 2.25% of eligible revenue when a guest is enrolled on-property in World of Hyatt for that enrolling stay, but could increase if costs increase (See Note 3)	Monthly	See Note 3
Comfort letter fee	Currently \$2,500, but could increase if costs increase	As incurred	Due for each comfort letter you must obtain
Quality assurance, compliance and guest satisfaction programs ⁽⁴⁾	Fees will vary under circumstances, based on Focused Improvement Policy protocols, which range from \$5,000 to \$20,000 per visit, plus personnel's related expenses. See Note 4.	As incurred	You must participate in quality assurance, compliance (including for data security), best rate guarantee and guest satisfaction programs, and/or requirements to effect credits or discounts to guests, as we determine according to System Standards. You must reimburse us for all costs, actions and additional training for your personnel (See Note 4)
Service support visit	\$875 per person per day, plus personnel's related expenses, but could increase if our costs increase	As incurred	Training is customized based on metrics, guest feedback, and service observations. The visit might include coaching and service strategy planning as well (See Note 4)
Additional training and assistance	\$875 per trainer per day plus our expenses, but could increase if our costs increase	As incurred	Due if you request, or we require, supplemental or optional training programs, including replacement training for new Core Management personnel you hire after the Hotel opens. You also pay for the incurred travel, lodging, and other expenses for your attendees
Fee for owner convention	Currently \$3,000 to \$10,000 per attendee, but could increase if our costs increase	As incurred (typically before the convention)	You also pay for the incurred travel, lodging, and other expenses for your attendees

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Application Fee for new guest rooms (added after Hotel opens)	Greater of the then current PIP fee (currently \$10,000) or \$400 times number of new guest rooms	PIP fee (currently \$10,000) due when you request approval, remainder due when we approve plans	Due only if you propose adding new guest rooms to the Hotel during Franchise Agreement's term
Transfer fee	Then-current amount of Application Fee	Together with transfer application	Applies to control transfers. We will refund transfer fee paid (less \$7,500) if we disapprove transfer
Fee for review of offering materials	\$5,000	When submitting materials for our review	Due only if you or your owners propose offering of ownership interests in you or an owner
Property Improvement Plan ("PIP") fee for successor franchise	Then current PIP fee – currently \$10,000, but could increase	With successor franchise application	
Royalty fee upon termination	\$5,000 per day plus our costs and expenses	As incurred	Due only if, and while, you fail to properly de-identify the Hotel after expiration or termination
Liquidated damages upon condemnation ⁽⁵⁾	See Note 5	As incurred	See Note 5
Liquidated damages upon termination ⁽⁵⁾	See Note 5	15 days after termination	Due if Franchise Agreement terminates before its term expires
Audit expenses	Cost of audit	As incurred	Due only if our audit reveals an understatement of 3% or more or if you fail to report on time or willfully underpay amounts
Late fee and interest	\$225 late fee plus lesser of 1½% per month or the highest rate law allows	As incurred	Late fee is due on all overdue amounts. Interest is due on all amounts more than 7 days late or not available for withdrawal by due date
Costs and attorneys' fees	Will vary under circumstances	As incurred	Due if we prevail in dispute

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Indemnification	Will vary under circumstances	As incurred	You must reimburse us and related parties for all claims and related costs arising from your application, the Hotel's development or operation (including failure to open on time), your breach, and your Hotel's proportionate share of our expenses in defending or controlling the defense of actions that involve both the Hotel and any other Hyatt Network Hotel
Testing of new product/supplier	Our costs, currently \$3,000 - \$5,000 for all testing of new product/suppliers	As incurred	Due only if you request our approval of supplier or item
Insurance	Premiums and our costs plus fee (currently \$200 per guest room per year)	As incurred	If you fail to obtain and maintain insurance, we may (if we choose) obtain it on your behalf and charge you our premiums and costs, plus a fee

System Services, System Services Costs, and System Services Charges

If you are in full compliance with your obligations under the Franchise Agreement, one or more members of the Hyatt Group will provide you those System Services we periodically specify. You must participate in all Mandatory Services and related programs, and may (at your option) participate in any or all Non-Mandatory Services and related programs, in the manner that we periodically specify. "System Services" means those services that the Hyatt Group generally and periodically makes available on a central, regional, or other shared or group basis (whether in whole or in part) to those Hyatt Regency Hotels and other Hyatt Network Hotels that the Hyatt Group reasonably determines shall be provided those services. We categorize System Services as either Mandatory Services or Non-Mandatory Services. "Mandatory Services" means those mandatory System Services that one or more members of the Hyatt Group provides to the Hotel and certain other Hyatt Regency Hotels and other Hyatt Network Hotels that the Hyatt Group reasonably determines must acquire those Mandatory Services only from the Hyatt Group. "Non-Mandatory Services" means those non-mandatory System Services that one or more members of the Hyatt Group provides to the Hotel and certain other Hyatt Regency Hotels and other Hyatt Network Hotels that the Hyatt Group reasonably determines will be offered the option, but will not be required to acquire those Non-Mandatory Services from the Hyatt Group.

We may periodically add to, delete from, and otherwise modify System Services, the scope of and manner of providing System Services, upon written notice to you. "System Services Costs" means, for the System Services in which the Hotel participates (or is required to participate), all costs that the Hyatt Group actually incurs or properly accrues during the period of determination

in providing those System Services, including out-of-pocket expenses, costs for employees, occupancy costs, capital costs, administrative expenses, carrying costs and other costs. Any allocation of shared costs that the Hyatt Group makes in good faith and with the intention of fairly allocating those costs to System Services is binding on us and you. The Hyatt Group may vary these allocations depending on, among other things, the specific brand, size or market positioning of the Hotel. System Services Costs include the actual costs that the Hyatt Group incurs and are not subject to any mark-up, premium or profit on any Mandatory Services, but may include a profit or mark-up component on Non-Mandatory Services.

“System Services Charges” means the amounts that the Hyatt Group charges the Hotel, and you will pay, for the Hotel’s equitably allocable share of the System Services Costs attributable to the System Services in which the Hotel participates (or is obligated to participate), as the Hyatt Group periodically determines them. The Hyatt Group determines System Services Charges on the same basis as it determines those amounts for other Hyatt Regency Hotels and Hyatt Network Hotels that are similarly situated with the Hotel (subject to Reasonable Deviations (as defined in Item 8) and that participate in those System Services in the same manner (collectively, “Participating Hotels”). The Hyatt Group may in its reasonable discretion periodically change its method of allocation of the System Services Costs among Participating Hotels, and the categories of Hyatt Regency Hotels and/or other Hyatt Network Hotels that are classified as Participating Hotels, but will at all times determine the method of allocation and categories of Participating Hotels on a reasonable, equitable and non-discriminatory basis.

Fees for Mandatory Services

The fees and payments reflected in the following chart cover the cost of the Mandatory Services, which we describe below. These amounts are estimates, and may change over time and/or as our and the Hyatt Group’s costs of providing Mandatory Services changes.

OTHER FEES

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Commercial Services Fee ⁽⁶⁾	Currently \$435 per room per year plus 3.0% of Gross Rooms Revenue, but could increase if costs increase	Monthly	See Note 6
Digital Acquisition Fee ⁽⁷⁾	Currently 1.35% of Gross Rooms Revenue through the Digital Channels, but could increase if costs or scope of services increase	Monthly	See Note 7
Global distribution services and other reservation services ⁽⁸⁾	Currently averages about \$8.85 per reservation, but could increase if costs increase	Monthly	At our option, you must subscribe to certain GDS and/or ADS through us. See Note 8

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Costs for Mandatory Contracts ⁽⁹⁾	Your allocable share of Hyatt Group's costs, currently \$3,000 to \$30,000 per month but could increase if costs increase	Monthly	See Note 9
Other corporate services ⁽¹⁰⁾	Your share of Hyatt Group's costs, currently \$0 to \$20,000 per month, but could increase if costs increase, plus 5% commission on Upsell Revenue. See Note 10	Monthly	See Note 10

Fees for Non-Mandatory Services

The fees and payments reflected in the following chart cover the cost of the Non-Mandatory Services, which we describe below. Currently you may choose to use, or not use, any of these Non-Mandatory Services at your Hotel.

OTHER FEES

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Field Marketing Program ⁽¹¹⁾	Currently \$9,600 to \$26,500 per year, depending on the services provided, but could increase if costs increase	As incurred	See Note 11
Subscription fee and expenses for Revenue Optimization Services	Essential Tier Level: Currently \$825/month before Opening Month and \$1,650/month from and after Opening Month. Premium Tier Level: Currently \$2,475/month before Opening Month and \$3,300/month after Opening Month.	Within 30 days of receiving invoice	

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Purchasing services	Will vary depending on items purchased	As incurred	You might choose to buy items through our affiliate.
Optional corporate services	Actual costs, which will vary depending on assistance needed	As incurred	The Hyatt Group corporate office may provide temporary employees for your Hotel at your request.
Other related party transactions	Will vary depending on assistance provided and other circumstances	As incurred	Your Hotel will routinely engage in transactions with Hyatt Regency Hotels and other Hyatt Network Hotels, some of which our affiliate may own or operate. For example, your Hotel may pay for using another hotel's staff (during high demand periods) or for another hotel redeeming quality assurance certificates that your Hotel previously issued to resolve a guest service problem at the Hotel.
Optional technology services	Will vary depending on service(s) you acquire	As incurred	Covers some point-of-sale, accounting, procurement, guest service and other IT-related services that you may choose to acquire.

In addition to any sales, use and other taxes that applicable law requires or permits us to collect from you for providing goods or services under the Franchise Agreement, you must pay us all federal, state, local or foreign (a) sales, use, excise, privilege, occupation or any other transactional taxes, and (b) other taxes or similar exactions, no matter how designated, that are imposed on us or that we are required to withhold relating to the receipt or accrual of Royalty Fees or any other amounts you pay us under the Franchise Agreement, excluding only taxes imposed on us for the privilege of conducting business and calculated based on our net income, capital, net worth, gross receipts, or some other basis or combination of those factors, but not excluding any gross receipts taxes imposed on us or our affiliates for your payments intended to reimburse us or our affiliates for expenditures incurred for your benefit and on your behalf. You must make these additional required payments in an amount necessary to provide us with after-tax receipts (taking into account any additional required payments) equal to the same amounts that we would have received if the additional tax liability or withholding had not been imposed or required.

Explanatory Notes to All Charts

1. **Gross Rooms Revenue and Gross F&B Revenue.** “Gross Rooms Revenue” will be determined in accordance with the Uniform System of Accounts for the Lodging Industry, Eleventh Edition, as published by the Educational Institute of the American Hotel and Motel Association, 2014, or a later edition that we approve.

“Gross F&B Revenue” means all gross revenues attributable to or payable for F&B Operations (defined below), whether payable to you or any other party (including any restaurant operator leasing space at the Hotel) operating any F&B Operations, including all cash, check, barter, credit, debit, and other transactions, whether or not collected, and excluding any taxes you or the applicable third party collects and transmits to the appropriate taxing authority. If you receive any proceeds from any business interruption insurance covering the F&B Operations, then Gross F&B Revenue will include an amount equal to the imputed gross revenues that the insurer used to calculate those proceeds. We and you will account for Gross F&B Revenue according to the Uniform System of Accounts. If any other party (including any restaurant operator leasing space at the Hotel) operates any F&B Operations, the Gross F&B Revenue reflects amounts payable to that party, not the amounts that party pays you. “F&B Operations” means all food and beverage operations for Hotel guests and patrons consisting of: (a) restaurant, dining, bar, lounge, and retail food and beverage services; (b) banquet, meeting, event, catering (including outside catering) and room services; and (c) all other food, beverage and related services at the Hotel.

2. Electronic Payments. You must make all payments for Royalty Fees, System Services Charges and other amounts due to us or any member of the Hyatt Group under the Franchise Agreement or relating to the Hotel by electronic funds transfer (“EFT”) in compliance with System Standards. We periodically may change the procedure for payments. You must make funds available in your account to cover payments when due. You may not change your bank, financial institution, or account used in the operation of the Hotel without first telling us.

3. World of Hyatt Program. Hyatt Regency Hotels must participate in, and pay all charges related to, the Hyatt Group’s frequent guest loyalty program (the “Loyalty Program”), called the “World of Hyatt” program. The Hyatt Group assesses each Participating Hotel and certain other hotels an amount in the Hyatt Group’s discretion to operate the Loyalty Program, which amount may change periodically. The assessment for each Participating Hotel (including the Hotel) is currently 4.5% of all eligible revenue generated at that hotel from members of the program (excluding applicable taxes) who provide their World of Hyatt member number when booking or 2.25% of that eligible revenue when a guest is enrolled on-property in World of Hyatt for that enrolling stay.

Under separate contractual arrangements, the following companies participate in alliances with the World of Hyatt program: (i) MGM Resorts International Operations, Inc.; (ii) the master license for Hyatt Residence Club, our shared ownership brand; (iii) HyCard, Inc., our affiliate (in relation with JPMorgan Chase Bank, the issuing company of the World of Hyatt credit cards); (iv) Small Luxury Hotels of the World; (v) American Airlines; (vi) Lindblad Expeditions, LLC; and (vii) Headspace, Inc. The Hyatt Group may allocate assessments for these programs at different rates than those applied to Participating Hotels, given the difference in the products and services being offered to Loyalty Program members. Owners of Participating Hotels bear no cost from including these programs in the Loyalty Program. The Hyatt Group also may agree to other similar partner or co-branding arrangements in the future.

Currently, the Hyatt Group deposits all funds that it collects (including sales of points and other related fees) collected for the Loyalty Program into segregated accounts, of which a portion are invested in various investment securities (primarily fixed income) that independent investment managers manage. These funds are designated to fund the Loyalty Program obligations, including

all marketing and administrative costs, and current and future award redemptions. The Hyatt Group may periodically change the method of funding the Loyalty Program, the assessment methodology and other program attributes. An independent accounting firm audits the Loyalty Program on an annual basis and we will make copies of the audit reports available upon request. We may periodically change the assessment methodology and other program attributes in the future.

The Hyatt Group also has contractual arrangements with participating airlines under which Participating Hotel guests may choose to receive airline miles, in lieu of Loyalty Program points, as a result of their stay. The Participating Hotel must pay the actual cost of those miles that the airline charges to the Hyatt Group. Guests choosing airline miles for a stay at a Participating Hotel are not entitled to Loyalty Program points for that stay.

4. Quality Assurance. The Hotel must participate in quality assurance, compliance and guest satisfaction programs that we periodically develop and modify (collectively, the “Quality Assurance Program”). You must pay your allocable share of all fees and other costs associated with the Quality Assurance Program. Our representatives may inspect or audit the Hotel at any time, with or without notice to you, to determine whether you and the Hotel are complying with the Hotel System, System Standards, and the terms of the Franchise Agreement, and you will give them free lodging (subject to availability) during the inspection period. If we determine that the Hotel is not complying with the Hotel System, System Standards, or any other Franchise Agreement provisions, then you will pay or bear the cost of the Hotel’s allocable share of all fees and other costs associated with the Quality Assurance Program to correct the non-compliance. This includes (a) reimbursing our costs related to your non-compliance, such as fees, travel and living expenses, guest satisfaction payments or expenses, and other costs for administering any necessary actions, follow-up inspections, audits or re-evaluation visits until you have fully corrected the non-compliance, and (b) paying for meetings and additional brand standard training programs that we specify and require your personnel to attend relating to your non-compliance. These amounts will vary depending on the extent of your non-compliance and may increase if our costs increase. We currently cover the costs of on-site quality assurance inspections (approximately \$500 to \$1,700 per inspection) but we may require you to pay for those inspections in the future. You must also pay \$500 to \$1,700 per re-inspection and you must reverse the folio charge for the inspection company. Currently, we impose the following fees if the Hotel is placed in Focused Improvement Policy protocols as a result of QA scores below requirements: (i) FIP Stage 1 – \$5,000 administrative fee; (ii) Stage 2 – \$15,000 administrative fee; (iii) Stage 3 – \$20,000 administrative fee; (iv) room audit fees ranging from \$1,000 (FIP Level 1 only) to \$3,000 (FIP Levels 1-3) ; and (v) the costs of our personnel’s travel, lodging and expenses for standards training and room audits.

5. Liquidated Damages. The amount of liquidated damages you must pay us if the Franchise Agreement terminates varies depending on when the Franchise Agreement terminates. Upon termination of the Franchise Agreement before the Term expires for any reason (subject to Article X of the Franchise Agreement), you must pay us, within 15 days after the date of such termination, liquidated damages in a lump sum equal to (a) the lesser of 60 or the number of months then remaining in the Franchise Agreement term had it not been terminated, multiplied by (b) the sum of (i) the Average Monthly Revenue (for Gross Rooms Revenue) times 9%, plus (ii) the Average Monthly Revenue (for Gross F&B Revenue) times 3%, plus (iii) the number of guest

rooms at the Hotel multiplied by \$36.25, as adjusted annually during the Term by the CPI Increase (the “Monthly Room Multiplier”).

“Average Monthly Revenues” means: (i) if, as of the effective date of termination, at least thirty-six (36) months have elapsed since the opening date, the average monthly Gross Rooms Revenue (or Gross F&B Revenue, as applicable) of the Hotel during the 12 full calendar months preceding the month of termination; or (ii) if, as of the effective date of termination, the opening date has not yet occurred, the average monthly Gross Rooms Revenue (or Gross F&B Revenue, as applicable) per available guest room for all Hyatt Regency Hotels in the United States (including those that we and our affiliates own, manage, and franchise) during the 12 full calendar months preceding the month of termination, multiplied by the number of guest rooms approved for the Hotel; or (iii) if, as of the effective date of termination, the opening date has occurred but less than thirty-six (36) months have elapsed since the opening date, either (a) the amount determined under part (ii) above or (b) the average monthly Gross Rooms Revenue (or Gross F&B Revenue, as applicable) of the Hotel during the period from the opening date until the effective date of termination, whichever of (a) or (b) is greater.

Notwithstanding the foregoing, if “Average Monthly Revenues” as determined pursuant to any part of (i) through (iii) above has been materially and negatively impacted during the preceding 12 full calendar month period by a disruption in Hotel operations resulting from Force Majeure, casualty, suspension of operations (whether or not consented to by us), renovation of the Hotel, or any other similar circumstances, “Average Monthly Revenue” will be determined by reference to the most recent 12 full calendar month period preceding termination, during which the Hotel performance was not so impacted.

If we or you terminate the Franchise Agreement because of a Consequential Termination, then the liquidated damages are 150% of the amount calculated above. A “Consequential Termination” occurs if (1) the Franchise Agreement’s termination involves a transfer of the Hotel or its assets, or a direct or indirect Controlling Ownership Interest in you, to a Competitor (defined below); or (2) there are 3 or more franchise agreements for Hyatt-Related Full Service Brand (defined below) hotels with you or your affiliates (including the Franchise Agreement) that we (or our affiliate) terminate because of your (or your affiliate’s) default or you (or your affiliates) terminate in breach of the agreement. A “Hyatt-Related Full Service Brand” means any brand under which or in affiliation with which full service Hyatt Network Hotel operates. A “Competitor” is any entity that owns, franchises and/or manages, or is an affiliate of any entity that owns, franchises and/or manages, a full service (i.e., typically offers to hotel guests 3 meals per day) hotel brand, trade name or service mark for a system of at least 4 hotels with an average daily room rate for all or substantially all of the hotels in the U.S. during the then most recent full calendar year that is at least 60% of the average daily room rate for Hyatt Regency Hotels.

If a governmental agency or other authority condemns or takes by eminent domain or expropriation, all or a substantial portion of the Hotel, and we and you do not agree to terms for relocating the Hotel, then either we or you may terminate the Franchise Agreement. If you and your owners sign our then current form of termination agreement and a general release, in a form satisfactory to us (together, a “Termination Agreement”), then you need not pay us liquidated damages when the Franchise Agreement terminates. The Termination Agreement will provide that if you or your affiliate begins construction on or operation of a new full service hotel at any

location within the Area of Protection during the 24-month period following the termination, other than a Hyatt Network Hotel or a hotel that was already under contract to be developed at that particular location within the Area of Protection on the date that the Termination Agreement is signed, then you must pay us liquidated damages of \$6,500 multiplied by the number of guest rooms at that new full service hotel. If you and your owners do not sign a Termination Agreement, then you must pay us liquidated damages when the Franchise Agreement terminates.

If the Hotel is damaged by fire, flood, accident, hurricane or other casualty damages the Hotel, you must notify us immediately. If the cost to repair the damage is less than or equal to the greater of (a) 60% of the market value of the Hotel immediately prior to the casualty, or (b) the amount of insurance proceeds made available to you in connection with the casualty (“Damage Threshold”), then you must repair the damage promptly according to the System Standards and the Franchise Agreement’s other terms and conditions. If the damage or repair requires you to close all or any portion of the Hotel, then you must commence reconstruction as soon as practicable (but in any event within four (4) months) after closing the Hotel and reopen for continuous business operations as a Hyatt Regency Hotel as soon as practicable (but in any event within twenty-four (24) months) after closing the Hotel, but not without complying with the Franchise Agreement’s other terms and conditions. The Term will be extended for the period of time during which the Hotel is closed, and you need not make any payments of Royalty Fees or System Services Charges while the Hotel is closed unless you receive insurance proceeds compensating you for lost Gross Rooms Revenue or Gross F&B Revenue during such period.

6. Commercial Services Fee. The “Commercial Services Fee” currently covers the costs for the following commercial services that the Hyatt Group makes available to the Hotel and other Participating Hotels (the “Commercial Services”):

- (a) brand-wide marketing, advertising, public relations, and guest satisfaction program management and research for the Hotel;
- (b) Global Property and Guest Services which provide, among other things, centralized reservation services (including the services and charges for the base reservation fee which applies regardless of channel, and certain additional reservation fees based on channels) and care professionals supporting the business by enhancing the guest experience;
- (c) revenue management technology, including the Hyatt Group’s proprietary PRIO revenue management system, and advisory and support services, such as pricing strategy across channels and on-going training, support, and tools for pricing and inventory applications;
- (d) group sales support, including lead generation from Hyatt Group’s global and regional sales offices, account management, and account development, and transient and luxury sales promotion services (including Consortia);
- (e) sales and catering system services, including account management, booking pipeline management, and analysis through Envision Lite, with additional group and event management services through Envision Pro;

- (f) property management system services, including Opera PMS, web-in/web-out and hosting, and interface file, maintenance, and support;
- (g) the Hyatt Group’s digital product technology and infrastructure including Hyatt.com and the mobile app; and
- (h) other technology services, including e-learning, e-mail, HyattConnect, SharePoint, identity access management, ServiceNow, in-room technology, and network access.

The Hyatt Group may periodically change the benefits and services currently included as Commercial Services and the charges and fees for those benefits and services. The Hyatt Group may adopt other methodologies for fees and charges related to chain-wide programs to Participating Hotels, including segregation by brand, geographic location, or other criteria that the Hyatt Group deems appropriate in its discretion. The Hyatt Group may periodically allocate the Commercial Services Fee as a fixed charge, percentage charge, direct billback, or any other combination of multiple allocation methodologies. The Hyatt Group may spend in any year more or less than the total Commercial Services Fee contributions in that year, but will use all Commercial Services Fees collected for Commercial Services.

7. Digital Acquisition Fee. We currently charge the Hotel and other Participating Hotels the “Digital Acquisition Fee” to help drive bookings through the Hyatt Group’s online direct booking channels (the “Digital Channels”). The Digital Channels currently are the Hotel System Website and any Hyatt-branded website or mobile app (such as the World of Hyatt app). You must pay the Digital Acquisition Fee on the subset of Gross Revenue resulting from reservations that are generated through the Digital Channels, whether directly or via a link from another platform, such as a search engine advertisement, social media page, or any Franchisee Organization Website. We may, in our sole judgement and subject to change, exclude certain types of bookings that originate through Digital Channels for purposes of calculating the Digital Acquisition Fee and certain portions of Gross Rooms Revenue that is generated through the Digital Channels, such as the Upsell Revenue (defined below). Digital Channels does not include reservations placed through external sources, such as online travel agencies (e.g., priceline.com and expedia.com) or through Hyatt-managed channels that are not digital in nature, such as reservations placed via telephone calls to our global property and guest services.

8. GDS and Other Reservations Services. In addition to the central reservations center, the costs of which the Hyatt Group allocates to each Participating Hotel as part of the Commercial Services Fee, GDSs accept reservations for Participating Hotels and confirm the reservations with the Hyatt Group through the central reservations center. The Hyatt Group incurs a reservations fee for each reservation that these supplemental reservations systems accept, which currently averages approximately \$8.85 per reservation, and the Hyatt Group passes on the charge to the hotel receiving the reservation at cost without imposing a markup or receiving a profit.

The Commercial Services Fee and these other reservation services fees include some of the current charges from providers of products or services for the Hotel, including the then current CRS operator (if applicable), the then current GDS and ADS operators (if applicable), and other suppliers to the Hotel, which may include us and/or our affiliates (collectively, “Providers”), that

we currently collect from franchisees and pay (on their behalf) to the Providers. If any Provider assesses a single or group fee or other charge that covers all or a group of Hyatt Regency Hotels or other Hyatt Network Hotels to which that Provider provides products or services, then our calculation of that fee or other charge among the Hotel and other Participating Hotels is final. The Providers may periodically increase the fees and other charges they impose. At our option, you must begin paying these fees and other charges directly to the applicable Provider(s).

9. Mandatory Contracts. The Hyatt Group periodically enters into relationships with vendors or providers of services that require mandatory participation by all or certain subsets of Participating Hotels, such as certain contracts provided through Avendra, LLC, credit card acceptance agreements, music license agreements and certain telecommunications agreements. While the Hyatt Group does not receive any fees, rebates or commissions under these mandatory contracts, certain of the mandatory contracts may provide for promotional or other allowances that the Hyatt Group then allocates among Participating Hotels, as the Hyatt Group determines or the applicable vendor or supplier requires, or that the Hyatt Group uses for activities benefiting all or substantially all Participating Hotels.

10. Other Corporate Services. The Hyatt Group provides a number of other corporate services and programs for the benefit of Participating Hotels for which those hotels reimburse the Hyatt Group on a cost recovery basis, including taxes, if applicable. These services and programs include group sales promotional programs and events that 2 or more Participating Hotels sponsor, property evaluations, profit improvement services, quality assurance manuals, security services, certain training programs and other various services. As part of these other corporate services, the Hyatt Group currently provides “upsell” services for Hyatt Regency Hotels and other Participating Hotels, offering room upgrades to guests having reservations at the Hotel before they arrive. If the guest purchases the room upgrade, you must pay the Hyatt Group a commission on the additional revenue. That commission currently is 5% of the difference between the Gross Rooms Revenue at the upgraded rate and the Gross Rooms Revenue at the rate the guest originally booked, excluding taxes (the “Upsell Revenue”). The Upsell Revenue currently does not include any additional revenue resulting from the upgrade, such as early arrival fees and additional revenue derived from upgrades to the F&B Operations or Spa Operations.

11. Field Marketing Program. The Hyatt Group currently offers to Participating Hotels centralized resources to guide and support local integrated marketing for hotels that leverage the expertise of a designated field marketing team for a fee (which may contain a profit component, not to exceed a competitive amount), pursuant to a Field Marketing Program Opt-In Agreement (Exhibit L) (the “Field Marketing Program Opt-In Agreement”). Inclusions and deliverables vary by service level, and may include management of local digital marketing, regional marketing campaigns, website management, social media consultation, local promotion creation and execution, and brand activations.

Item 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Column 1 Type of expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When due	Column 5 To whom payment is to be made
Application Fee (1)	\$100,000 to \$400,000	Lump sum	Upon signing Franchise Application	Us
Market study	\$15,000 to \$25,000	As agreed	As incurred	Supplier
Architecture and design	\$1,250,000 to \$12 million	As agreed	As incurred	Architects, engineers, designers and other professionals
Pre-opening marketing and sales expenses (2)	\$100,000 to \$550,000	As agreed	Before opening	Us and third parties
Construction, improvements, remodeling, decorating costs and other sitework	\$37.5 million to \$300 million	As agreed	As incurred	General contractor, suppliers and us or our affiliate
Signage	\$50,000 to \$220,000	As agreed	As incurred	Suppliers
Furniture, fixtures, other fixed assets, equipment and inventory (3)	\$10.5 million to \$52 million	As agreed	As incurred	Suppliers
Telephone and telecom equipment (4)	\$500,000 to \$1.2 million	As agreed	As incurred	Suppliers and Hyatt Corporation
Technology System equipment and fees (4)	\$750,000 to \$1.3 million	As agreed	As incurred	Suppliers and Hyatt Corporation
Security System (4)	\$200,000 to \$750,000	As agreed	As incurred	Suppliers and Hyatt Corporation
General and administrative (5)	\$420,000 to \$693,000	As agreed	As incurred	Third parties
Liquor license (6)	\$28,500 to \$440,000	As agreed	As incurred	Government agency or previous license holder

Column 1 Type of expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When due	Column 5 To whom payment is to be made
Training expenses	\$89,950 to \$207,950	As agreed	As incurred	Suppliers and us
Miscellaneous opening costs (7)	\$157,500 to \$577,500	As agreed	As incurred	Suppliers, employees, us and Hyatt Corporation
Additional funds - 3 months (8)	\$787,500 to \$2.1 million	As agreed	As incurred	Suppliers, employees, us and Hyatt Corporation
TOTAL ESTIMATED INITIAL INVESTMENT (excluding real estate costs) (9)	\$52,448,450 to \$372,463,450			

Explanatory Notes

1. Application Fee. The Application Fee listed above is for a Hyatt Regency Hotel with 250 to 1,000 guest rooms. We describe the Application Fee and the conditions for its refund in Item 5.

2. Pre-opening marketing and sales expenses. This item includes costs for marketing and sales programs that you undertake before the Hotel opens, including payments of the applicable System Services Charges during the Pre-Opening Period and the costs to establish and operate a sales office during the Pre-Opening Period.

3. Furniture, fixtures, other fixed assets, equipment and inventory. Costs for fixtures; equipment; furnishings; furniture; telephone systems; communications systems; facsimile machines; copiers; signs; the Technology System and other property management, revenue management, in-room entertainment, and other computer and technology systems; initial food and beverage inventory plus other operating supplies and equipment, such as bed linens, personal care amenities, cleaning supplies and other consummables, and other similar items we periodically specify for the Hotel (collectively, "FF&E") depend mostly on the Hotel's size and configuration. This item covers costs for all FF&E for the Hotel except the costs for telephone, telecom, security and Technology System equipment and related fees that we describe separately in Note 4 below.

4. Telephone, telecom, security and Technology System equipment. We or our affiliate will inspect the Hotel and/or its plans and specifications to develop a specific proposal relating to the telephone and telecom equipment and the Technology System equipment for your Hotel. We include in the estimate for the Technology System the projected costs of acquisition/installation and the annual support and service contracts for the first year that the Hyatt Group provides as part of Mandatory Services.

5. General and administrative. This item includes costs for permit fees, security deposits, utility deposits and startup requirements, impact fees (one-time charges that the government levies to offset service costs relating to the new development), tap fees (charges for connecting to existing water or sewer lines), and various business licenses. Landlords sometimes pay some of the tap or impact fees, and the amount depends on municipal requirements and the final Hotel configuration. This item also includes costs for insurance, legal and accounting expenses.

6. Liquor license. Liquor license costs vary widely depending on the jurisdiction. In most jurisdictions, the cost will be on the low end of the range, but could be on the high end (or even exceed the high end) in those jurisdictions that consider a liquor license to be an asset. You may be able to apply for a full spirits liquor license and pay standard costs for this license that would be on the lower end of the estimate. However, if your property is located in a “quota” city or state, you might need to locate and purchase a full spirits liquor license on the open market, which could mean your anticipated costs are on the mid-to-high range of this cost estimate. If you purchase a liquor license on the open market, you may be able to re-sell your liquor license in those jurisdictions to another licensee if you sell your Hotel. The liquor license that you apply for or purchase must include beer, wine and full spirits, as allowable under applicable law in the Hotel’s jurisdiction. If you engage a third party to be the F&B Operator (defined in Item 8), depending on the jurisdiction, you might not need a liquor license.

7. Miscellaneous opening costs. This item includes costs for office and other supplies, wages for Hotel management and employees, the comfort letter fee, the Extension Fee (if applicable) and other miscellaneous pre-paid opening expenses.

8. Additional funds – 3 months. This item estimates your initial start-up expenses (other than the items identified separately in the table). These expenses include payroll costs for the Hotel’s personnel but not any management fees or similar draw. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting the business. Your costs depend on how closely you follow our methods and procedures; your management skill, experience, and business acumen; local economic conditions; the local market for the Hotel’s services; the prevailing wage rate; competition; and the sales level reached during the initial period.

9. Total estimated initial investment (excluding real estate costs). The estimated amounts presented in the table above are for a Hyatt Regency Hotel with 250 to 1,000 guest rooms. We relied on our affiliates’ experience in developing and operating hotels since 1957 to compile the estimate for additional funds and other figures. You should review these figures carefully with a business advisor before deciding to acquire the franchise. Except as described in Item 10, we do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and lending policies of financial institutions from which you request a loan. The estimate does not include any finance charge, interest, or debt service obligations. Except for a portion of the Application Fee that we will refund if we do not approve the application, no amounts in the chart are refundable.

Hyatt Regency Hotels typically are in primary markets at suburban, airport, highway and center city sites. They will typically have from 250 to 1,000 guest rooms and occupy property of

2 to 10 acres, but the amount of land the Hotel requires will vary greatly depending upon local building codes, setback requirements, parking requirements and similar factors. Leasing or purchase costs vary widely and depend on geographic location, size, visibility, local rental rates, other businesses in the area, other local economic conditions, the site's market potential, the type of ownership or leasehold interest and other factors. Because of these factors, this table does not estimate the costs for the Hotel's rent or security deposit or the purchase price for the building or land on which the Hotel is located (if you decide to buy, rather than lease, the land and/or premises).

The initial investment ranges presented in this Item are to construct new, full-size, 5- to 12-story Hyatt Regency Hotels with 250 to 1,000 rooms and 4 to 8 elevators according to our Design Standards and Hotel System. If you own an existing hotel that you plan to convert from another brand to a Hyatt Regency Hotel, you might already have incurred many of the costs listed in this Item, but you still will incur significant costs to upgrade and renovate the Hotel to meet our current standards for Hyatt Regency Hotels. These costs vary widely and depend primarily on the Hotel's existing condition, but we anticipate that most franchisees will spend more than \$1 million in the conversion process. Before we and you sign the Franchise Agreement, we will prepare a PIP on your Hotel and provide details about our conversion and upgrade requirements for the Hotel.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must operate the Hotel according to our System Standards, which may regulate, among other things, the types, models, and brands of products and services your Hotel uses; required and authorized products and services that the Hotel must offer to customers and quality standards for those products and services (including F&B Operations and Spa Operations, as defined below); and designated and approved suppliers of these products and services, which may include or be limited to us and/or our affiliates that we may designate. "Spa Operations" means all spa and related operations and services for Hotel guests and patrons, consisting of all therapy, massage and other treatments, salon services and other spa-related services, if applicable for the Hotel. Not all Hyatt Regency Hotels have Spa Operations.

If you are constructing a new Hyatt Regency Hotel, Hyatt Corporation will advise you on the System Standards to be met, the aesthetics to be reflected, and the systems to be installed at the Hotel, so the Hotel can be opened and operated as a Hyatt Regency Hotel. You and Hyatt Corporation will determine the types and levels of services and assistance you will receive and the fees you will pay for the services. Hyatt Corporation is the only approved supplier for these services if you are constructing a new Hotel. You do not have to use Hyatt Corporation for these services if you are converting an existing hotel to a Hyatt Regency Hotel. We also provide IT Services and other technology-related services as well as PMS subscription and hosting services.

You must use the Opera PMS at the Hotel. You must sign the Hosting Services Agreement and engage us to host the PMS remotely. We will provide services necessary to install access to the PMS at the Hotel under the Franchise Agreement. You must also enter into an agreement with

our designated supplier to provide connectivity services and training for the PMS. If your Hotel is in Hawaii or Puerto Rico, under certain circumstances (with our approval), we may permit you to self-host the PMS at the Hotel.

System Services

Mandatory Services and Non Mandatory Services comprise the System Services. If you are in full compliance with your obligations under the Franchise Agreement, we or one or more members of the Hyatt Group will provide you those System Services that we periodically specify. You must participate in all Mandatory Services and related programs, and may (at your option) participate in any or all Non-Mandatory Services and related programs, in the manner that we periodically specify. You must acquire all Mandatory Services (as we periodically modify them) only from a member of the Hyatt Group. We may periodically add to, delete from, and otherwise modify these System Services, and the scope of and manner of providing System Services, upon notice to you. Also, due to the differences in products, services, markets and hospitality experiences among Hyatt Regency Hotels and other Hyatt Network Hotels, we may, where we deem appropriate in our judgment: (a) classify certain System Services as Mandatory Services for the Hotel which we classify as Non-Mandatory Services or do not offer to other Hyatt Regency Hotels and/or other Hyatt Network Hotels; (b) not provide to the Hotel certain System Services that we provide to other Hyatt Regency Hotels and/or other Hyatt Network Hotels; and (c) limit the scope of those System Services provided to franchised Hyatt Regency Hotels, such as by limiting the access that franchised Hyatt Regency Hotels have to certain customer and other proprietary information for Hyatt Network Hotels other than the Hotel. We describe the current System Services and the current charges for those System Services in Item 6.

Avendra, LLC (“Avendra”) is a products and services sourcing company that offers volume contracts to its customer hotels on a variety of FF&E and other items used in hotel operations, including food and beverage equipment and supplies (such as branded and commodity programs), operating equipment and supplies (such as linens, pillows, terry, and light bulbs), and other products and services (such as printing and stationery, logoed items, chemicals, and pest elimination), at competitive prices that Avendra negotiates. You determine whether, and the extent to which, your Hotel will use Avendra’s services. However, if you choose not to use Avendra, you might find it impracticable to purchase certain products for the Hotel (such as bathroom amenities made specifically for Hyatt Network Hotels) elsewhere.

You also may, but are not required to, use Rosemont’s purchasing and project management services and acquire our pre-opening advisory assistance for your Hotel. We or another member of the Hyatt Group, Avendra and Rosemont negotiate purchase arrangements with suppliers, including price terms, for some required Hotel items. When we do so, we seek to promote the overall interests of the Hyatt Regency Hotel network and our interests as the franchisor. We do not provide material benefits (like renewal or granting additional franchises) to individual franchisees for purchasing particular products or services or for using particular suppliers.

You must participate in, connect with, and use the authorized CRS, GDS and ADS as we periodically designate for offering, booking, modifying, and communicating guest room reservations for the Hotel and bear all related costs and expenses. You may only use the GDS and ADS that we periodically authorize. You must honor and give first priority on available rooms to

all confirmed reservations that the CRS, GDS or ADS refer to the Hotel. The CRS and approved GDS and ADS are the only reservation systems or services that the Hotel may use for reservations. You will establish the Hotel's room rates, if those rates and your pricing policies comply with System Standards (to the maximum extent the law allows). You must comply with our "best price guarantee" and related policies, as we periodically modify them. You may not charge any guest a rate higher than the rate that the reservations center specifies to the guest when the guest makes the reservation.

Except as described here and in Item 6, in providing these and other products and services to you, the Hyatt Group companies have the right to charge prices that exceed their costs and include a profit margin. Except as described above or in Items 5 or 6, there currently are no other goods or services for the Hotel that you must buy or lease from us or one of our affiliates or for which we or one of our affiliates is an approved supplier or the only approved supplier.

Approved Suppliers, Hotel System and System Standards

Promptly after preparing the plans for your Hotel's construction or remodeling, you must prepare and deliver to us for our approval a plan for conducting and administering the F&B Operations at the Hotel (the "F&B Operations Plan"). The F&B Operations Plan will contain the identity of any proposed restaurant operator or other operator of some or all F&B Operations at the Hotel (other than you or your approved management company) (each an "F&B Operator") and the restaurant concept(s) that you plan to incorporate as part of or adjacent to the Hotel. You must make the modifications to the F&B Operations Plan that we reasonably specify and ensure that the Hotel and its F&B Operations operate according to the approved F&B Operations Plan. You may not make any material changes to the F&B Operations Plan (including any changes to the proposed restaurant concept(s) and/or F&B Operator(s)) without our prior written approval. Before the Hotel begins operating under the Proprietary Marks, you must require each F&B Operator to sign the documents we reasonably specify to protect our (and our affiliates') intellectual property and other rights. At our option, you must submit to us for our prior approval any proposed lease or other agreement between you (or your affiliate or management company) and the F&B Operator under which the F&B Operator will conduct F&B Operations, in which case you may not sign (or permit your affiliate or management company to sign) any lease or other agreement that we have not approved.

If the Hotel has Spa Operations, you may subcontract the management of the Spa Operations to an operator (other than the approved management company) (the "Spa Operator") only if (a) we (in our sole judgment) approve of the Spa Operator, the spa concept and the terms of the lease or other arrangement between you and the Spa Operator; (b) the Spa Operator complies with all applicable System Standards; and (c) the spa does not use the Proprietary Marks in any manner (unless we authorize that use in writing).

If you or your management company do not have in-house technology services support, you must contract with a third-party technology consultant that meets our qualifications for "break/fix" support. You must also use our designated cyber end point protection and web filtering tools and enter into agreements with suppliers of such services, as applicable.

You currently must use our designated third party provider of travel agent commission program services. This provider calculates travel agent commissions, remits them to travel agents and collects them from participating hotels. You also must use our designated provider of quality assurance and inspection services. Except as described in this Item or in Items 5 or 6, there currently are no goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Hotel that you must buy from us, our affiliates, or designated or approved suppliers. None of our officers currently owns an interest in any supplier to Hyatt Regency Hotel franchisees.

However, you must buy or lease most other products and services for your Hotel according to our System Standards. We issue and modify standards and specifications based on our, our affiliates' and our franchisees' experience in operating Hyatt Regency Hotels. Our standards and specifications may impose minimum requirements for delivery, performance, reputation, prices, quality, design, and appearance, among other factors. You must ensure that the Hotel strictly complies with all applicable laws and maintains adequate insurance policy coverage in the amounts that we periodically specify. Our System Standards or other communications will identify our standards and specifications and/or names of approved suppliers.

If you wish to obtain any FF&E, supplies, or other goods and services from a source that we have not previously approved as meeting our System Standards (for those items that require supplier approval), you must send us a written request with any information and samples we consider necessary to determine whether the product, service and source meet our then current criteria. If you comply with our processes and procedures, we will respond to your request within a reasonable time period (typically 30 days) after receiving all information we request. We may charge you our costs to review your request and evaluate the product, service and/or source. We may condition our approval on standards and requirements relating to quality, quantity, warranties, prices, volume capability, frequency of delivery, distribution methods and locations, standards of service (including prompt attention to complaints), consistency, reliability, financial capability, labor and customer relations, the willingness and ability to comply with our vendor compliance guide and other criteria. We may modify our System Standards in this area as we deem best. We may, at our option, revoke our approval of certain goods, services or sources if they fail to continue to meet our System Standards. We may designate a particular source for, or model or brand of, FF&E, supplies or other goods or services that we (in our sole judgment) determine to be critical to the Hotel System.

If the Hyatt Group receives any payments from vendors or service providers whose costs are included as part of System Services Costs, the Hyatt Group currently will offset them against System Services Costs. We and our affiliates may receive rebates, commissions, payments, benefits and other material consideration from suppliers on account of their actual or prospective dealings with you and other franchisees and owners of Hyatt Regency Hotels, but neither we nor our affiliates will receive rebates from suppliers based solely on the volume of your purchases from those suppliers unless we either forward those rebates to you, use them to cover System Services Costs, or otherwise use those rebates for the benefit of the Hotel System or the Hyatt Regency Hotel network. During the 2021 fiscal year, Hyatt Corporation received \$35,775 in rebates from suppliers of food and beverage products and office supplies based on purchases that franchised Hyatt Regency Hotels made from those suppliers, but Hyatt Corporation used this entire amount to offset part of System Services Costs. In addition, Hyatt Regency Hotel network

suppliers attending franchisee conventions, conferences, or other meetings of Hyatt Regency Hotel owners make contributions to us or other members of the Hyatt Group (which do not derive from franchisee purchases) that we use to defray your and other franchisees' and owners' costs of attending these functions. Except for these payments, neither we nor our affiliates currently receive, or have negotiated to receive, similar payments or other material consideration from suppliers based on our franchisees' purchases or leases, although our affiliates currently receive rebates from suppliers based on goods and services they buy for Hyatt Regency Hotels that they operate.

You also must participate in and comply with the terms of all of our mandatory marketing, reservation service, rate and room inventory management, advertising, cooperative advertising, guest frequency and loyalty, social responsibility, discount or promotional, training and operating programs. You must sign and comply with any license, participation and other agreements we periodically specify relating to these programs.

You may not make any material changes to the Hotel's construction, including any changes to any structural or life safety equipment or systems, the number and/or type of guest rooms or common areas, or any architectural features, without our prior written consent and complying with our conditions and procedures. We may periodically require you to upgrade or renovate the Hotel, including by altering the Hotel's appearance and/or replacing a material portion of improvements and/or FF&E, to comply with then current building décor, appearance, trade dress standards and other aspects of the Hotel System that we have established and then require for new similarly situated Hyatt Regency Hotels (subject to Reasonable Deviations (defined below)). This upgrading or renovation might require you to invest additional capital in the Hotel and/or incur higher operating costs. You must implement the upgrading and renovation within the time period we request. However, all of these upgrades and renovations will apply to similarly situated Hyatt Regency Hotels (subject to Reasonable Deviations). In order to assist you in having funds available to make any necessary capital expenditures at the Hotel and comply with your upgrade and renovation obligations (but without limiting those obligations), you must deposit into a separate account that you control 5% of the Hotel's total operating revenue each month. You will use these funds only to make approved capital expenditures and comply with your upgrade and renovation obligations, although your obligations may require you to spend more than the amount in the account.

"Reasonable Deviations" means that, if the market area or circumstances of a Hyatt Regency Hotel warrant, then, in our Reasonable Business Judgment (defined below), we may apply an aspect of the Hotel System, System Standard, requirement, fee or other term or condition to the Hotel in a manner which differs from the manner in which that aspect of the Hotel System, requirement, fee or other term or condition applies to one or more other similarly situated Hyatt Regency Hotels. "Reasonable Business Judgment" means that our action or inaction has a business basis that is intended to benefit the Hyatt Regency Hotel network or the profitability of the network, including us and our affiliates, regardless of whether some individual hotels may be unfavorably affected; or to increase the value of the Proprietary Marks; or to increase or enhance overall hotel guest or franchisee or owner satisfaction; or to minimize possible brand inconsistencies or customer confusion.

Collectively, the purchases and leases you must make from us, from designated or approved suppliers, or according to our System Standards represent approximately 95% of your total purchases and leases to establish, and approximately 95% of your total purchases and leases to operate, the Hotel. During our 2021 fiscal year, we did not derive any revenue from selling or leasing products or services directly to Hyatt Regency Hotel franchisees, but our affiliates collected about \$15,358,862 in fees and other revenue from providing various products and services to Hyatt Regency Hotel franchisees, including revenue for chain services, IT-related services and other ancillary services. In addition, Hyatt Regency Hotel franchisees received \$3,416,686 more in loyalty program fees than they received in loyalty program reimbursements during 2021. We derived these figures from our affiliates' internal financial records.

Item 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in agreement	Disclosure document item
a. Site selection and acquisition/lease	1.1 and 2.5 of Franchise Agreement	7 and 11
b. Pre-opening purchases/leases	4.1, 4.3, 4.4, 4.6 and 5.1 and Articles 2 and 9 and Exhibit B of Franchise Agreement	5, 7, 8 and 11
c. Site development and other pre-opening requirements	2.1 to 2.4 and Exhibit B of Franchise Agreement; 1 to 4 of Service Agreement for Revenue Optimization Services	5, 7, 8 and 11
d. Initial and ongoing training	3.1, 3.2, 4.2, 12.4 and Exhibit B of Franchise Agreement	5, 6, 7 and 11
e. Opening	2.5 of Franchise Agreement	5 and 11
f. Fees	2.2, 2.6, 4.1, 4.4, 4.8, 7.5, 8.3, 12.4, 12.7, 13.1, 13.3, 14.4, 16.1, 16.2, 16.4 and 16.5 and Articles 3, 6, 9 and 10 and Exhibit B of Franchise Agreement; Franchise Application; 7 of Confidentiality Agreement; 5 of Service Agreement for Revenue Optimization Services; 6 and 8 of Hosting Services Agreement; 4 and Exhibit A of Field Marketing Program Opt-In Agreement	5, 6, 7, 8 and 11

Obligation	Section in agreement	Disclosure document item
g. Compliance with standards and policies/operations manual	2.1 to 2.3, 2.6, 3.2, 3.3, 5.1, 5.3, 5.4, 7.3 and 11.2 and Article 4 of Franchise Agreement; Management Company Rider	6, 8, 11, 13, 14 and 15
h. Trademarks and proprietary information	3.2, 5.3 and 16.1 and Article 11 of Franchise Agreement; Confidentiality Agreement; Management Company Rider; 10 of Service Agreement for Revenue Optimization Services; 11 of Hosting Services Agreement; 6 of Field Marketing Program Opt-In Agreement	11, 13 and 14
i. Restrictions on products/services offered	4.3, 4.4 and 4.6 of Franchise Agreement	8, 11 and 16
j. Warranty and customer service requirements	4.3 and 4.8 of Franchise Agreement; 7 of Hosting Services Agreement	8, 12 and 16
k. Territorial development and sales quotas	Not applicable	Not applicable
l. Ongoing product/service purchases	3.2, 3.3, 4.3, 4.4, 4.6 and 4.7 of Franchise Agreement; 2 through 5 of Service Agreement for Revenue Optimization Services	5, 6, 7, 8 and 11
m. Maintenance, appearance and remodeling requirements	3.3, 4.3, 4.4, 4.7, 4.8 and 10.2 of Franchise Agreement	8, 11 and 16
n. Insurance	Article 9 of Franchise Agreement; 8 of Service Agreement for Revenue Optimization Services; 8 of Field Marketing Program Opt-In Agreement	6 and 7
o. Advertising	4.3 and Article 5 of Franchise Agreement	6, 8 and 11
p. Indemnification	2.5.2, 8.3 and 12.7 of Franchise Agreement; 7 of Confidentiality Agreement; 7 of Service Agreement for Revenue Optimization Services; 8 of Hosting Services Agreement; 9 of Field Marketing Program Opt-In Agreement	6

Obligation	Section in agreement	Disclosure document item
q. Owner's participation/management/staffing	3.1, 3.3, 4.2 and 4.6 of Franchise Agreement; Management Company Rider; 2 of Service Agreement for Revenue Optimization Services	5, 7, 11 and 15
r. Records and reports	4.3 and 4.7 and Article 7 of Franchise Agreement	6
s. Inspections and audits	4.3, 4.8, 7.4 and 7.5 of Franchise Agreement	6
t. Transfer	12.2 to 12.7 of Franchise Agreement and 8(e) of Confidentiality Agreement; 13 of Hosting Services Agreement; 13 of Field Marketing Program Opt-In Agreement	6 and 17
u. Renewal	Article 13 of Franchise Agreement	6 and 17
v. Post-termination obligations	12.4 and Articles 10, 14 and 16 of Franchise Agreement; 7 and 10 of Service Agreement for Revenue Optimization Services; 10d of Hosting Services Agreement; 1 of Field Marketing Program Opt-In Agreement	6, 13, 14 and 17
w. Non-competition covenants	4.2 and 4.11 of Franchise Agreement	15 and 17
x. Dispute resolution	Article 14 of Franchise Agreement; 8 of Confidentiality Agreement; 12 of Service Agreement for Revenue Optimization Services; 11 of Field Marketing Program Opt-In Agreement	6 and 17
y. Honoring guest room rates	4.5 of Franchise Agreement	8
z. Guarantor monetary threshold	12(b) of Franchise Agreement and Guaranty	15
aa. Right of first offer	Exhibit D of Franchise Agreement	17

Item 10

FINANCING

We do not have a fixed financial assistance program for our franchisees and typically do not offer financial assistance to franchisees. However, in some cases we periodically may offer financial assistance to franchisees developing new Hyatt Regency Hotels or converting existing

hotels from other brands to the Hotel System. We have no formal criteria to determine which franchisees will receive financial assistance or the amount or timing of the assistance. The terms of any financial assistance, including amount, interest rate, and repayment terms, will vary widely and depend on our agreement with the franchisee and its particular circumstances. Our decision to offer financial assistance depends on what we think is best for us and the Hyatt Regency Hotel franchise network. We have no obligation to offer financial assistance to any franchisee.

Except as described above, neither we nor our affiliates offer direct or indirect financing. Neither we nor our affiliates guarantee your note, lease or obligation.

Item 11

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

Except as listed below, Hyatt Franchising, L.L.C. is not required to provide you with any assistance.

Before you begin operating the Hotel, we or another member of the Hyatt Group will:

1. Approve a site for the Hotel that meets our requirements. We do not provide any site selection assistance or specify an area within which you may look for a site. We do not own hotel premises and lease them to franchisees. In determining whether to approve a site, we consider, among other things, demographic characteristics, traffic patterns, parking, visibility, allowed signage, the predominant character of the neighborhood, competition from other lodging facilities in the area, the nature of other businesses near the site, and other commercial characteristics (including the purchase price or rental obligations and other lease terms) and the proposed site's size, appearance, and other physical characteristics. You may not develop a Hyatt Regency Hotel at a site that we do not approve. We and you will not sign a Franchise Agreement until you have located and we have approved the Hotel's site. If you are converting an existing hotel from another brand to the Hotel System, we will inspect the hotel and prepare a PIP to provide details on our upgrade requirements. Each Comfort Letter Party must sign a comfort letter or similar agreement that we reasonably specify. (Section 2.1 and Exhibit B of Franchise Agreement)

2. Communicate our then current specifications and requirements for designing and developing a Hyatt Regency Hotel, including the Design and Construction Standards. We will provide a briefing at our headquarters to acquaint your managing owner or senior operations officer with our building process and support structure. If you are constructing a new Hotel at the site, you must design and construct the Hotel according to our Design Standards and Hotel System, and Hyatt Corporation will provide technical and design assistance related to the Hotel's development. If you are converting an existing hotel from another brand to the Hotel System, you must renovate the Hotel according to the PIP, which may reference some or all of our Design Standards and the Hotel System. The PIP is attached to the Franchise Agreement when we and you sign it. You may not

make any material changes to plans set forth in the PIP (including any changes to any structural or life safety equipment or systems, the number and/or type of guest rooms or common areas, or any architectural features), without our prior written consent, which we will not unreasonably withhold. We and our affiliates may operate, and authorize others to operate, Hyatt Regency Hotels outside the United States providing additional, fewer and/or different amenities and services to guests than the Hotel provides, or that otherwise operate in a manner that is substantially different from the manner in which the Hotel operates. We may establish and periodically modify the Hotel System and System Standards for certain Hyatt Regency Hotels in the United States in a manner that is different from the Hotel System and System Standards that apply to some or all Hyatt Regency Hotels outside the United States. (Sections 2.1, 2.2 and 2.8 and Exhibit B of Franchise Agreement)

3. As described in Item 8, identify the brands, types, makes and/or models of FF&E and other items (including both products and services) that meet our System Standards and, if we require, designated and approved suppliers of these items. We or our designated affiliate will directly provide and deliver, and in certain cases install, some items. We will provide you with the names of approved suppliers for some items. Our System Standards or other communications provide our standards and specifications for some items. (Sections 2.4, 4.3 and 4.4 of Franchise Agreement)

4. Approve your preliminary plans and detailed plans for a new Hotel or renovation plans for conversion of an existing facility, including working drawings and specifications, if they comply with our Design and Construction Standards, Hotel System and System Standards. You must prepare and submit the plans to us for our approval and change the plans as we specify. You may not begin constructing, remodeling or developing the Hotel until we have approved the plans. You may not change the approved plans, including by changing any structural or life safety equipment or systems, the number or type of guest rooms or common areas, or any architectural features, without our prior approval. (Section 2.1 and Exhibit B of Franchise Agreement)

5. Approve an F&B Operations Plan and F&B Operator(s) that meet our requirements. (Section 2.3 of Franchise Agreement)

6. Approve your establishing a temporary or permanent sales office at the Hotel's site to solicit and accept reservations during the Pre-Opening Period for stays after the opening date, if it meets our requirements. Promptly after we or our designee installs the Technology System at the Hotel, you must (with our approval) staff the pre-opening sales office with the Hotel's Director of Sales and begin operating the pre-opening sales office. (Section 2.4 of Franchise Agreement)

7. Provide the applicable System Services for the Hotel during its Pre-Opening Period. (Section 4.1 of Franchise Agreement)

8. Approve a pre-opening marketing program that you prepare according to our requirements. At least 120 days before the Hotel's grand opening, you must prepare and submit to us for our approval a written pre-opening marketing program that satisfies

our requirements and contemplates spending at least \$300 times the number of guest rooms at the Hotel. You must change the program as we specify and implement the approved program. We anticipate your spending additional amounts on pre-opening marketing as well. (Section 5.1 of Franchise Agreement)

9. Provide data installation services relating to the initial set-up of CRS, GDS and ADS at the Hotel, IT project management implementation services and other technology-related services described in Item 5. (Section 2.2 of the Franchise Agreement) We describe the Technology System later in this Item.

10. Train your Hotel's senior manager-level employees whom we periodically designate, which may include (as applicable), the general manager, rooms director, director of sales, engineering director, director of food and beverage, director of catering, and the executive chef for the Hotel (the "Core Management"), and other Hotel personnel we specify in the operation of a Hyatt Regency Hotel to help ensure compliance with System Standards. (Section 3.1 of Franchise Agreement).

11. Provide you access to the System Standards. You must comply with the System Standards, as we periodically modify them, except for any employment-related or other policies and procedures which are clearly indicated as being for your optional use. We may communicate the System Standards to you using various means that we may periodically establish, including electronic media and/or written materials, and you must continuously monitor and access any updates to the System Standards or other aspects of the Hotel System. The System Standards and any passwords or other digital identifications necessary to access the System Standards are confidential.

Any materials, guidance or assistance that we provide on employment-related policies or procedures, whether in the System Standards or otherwise, are solely for your (or your management company's) optional use. Those materials, guidance and assistance do not form part of the mandatory System Standards. You (or your approved management company) will determine to what extent, if any, these materials, guidance or assistance should apply to the Hotel's employees. We do not dictate or control labor or employment matters for franchisees and their employees and will not be responsible for the safety and security of Hotel employees or patrons. You (or your approved management company) are solely responsible for determining the terms and conditions of employment for all Hotel employees (including Core Management), for all decisions concerning the hiring, firing and discipline of Hotel employees, and for all other aspects of the Hotel's labor relations and employment practices. (Sections 3.3 and 4.3 of Franchise Agreement)

12. Authorize your Hotel to open under the Proprietary Marks if you satisfy our pre-opening conditions as set forth in the System Standards or otherwise in writing. We will use reasonable efforts in our review and approval of plans and our approval process to open the Hotel, including by making a reasonable number of visits to the Site(to the extent practical under the circumstances) and providing reasonable guidance and advice relating to the Hotel's development or conversion. We act only in an advisory capacity and are not responsible for the adequacy or coordination of any plans and specifications, the integrity of any structures, compliance with applicable laws (including the Accessibility Laws) or

any insurance requirements, or obtaining any permits. We will have no liability to you for the Hotel's construction or renovation. You must give us certificates from your contractors concerning the Hotel's compliance. (Sections 2.5 and 2.6 of Franchise Agreement)

13. Provide revenue optimization services for the Hotel if you choose to acquire them or we determine that you must acquire them. (Sections 2 and 3 of Service Agreement for Revenue Optimization Services)

During your operation of the Hotel, we or another member of the Hyatt Group will:

1. Continue to provide the System Services for the Hotel, as we periodically modify them. (Section 4.1 of Franchise Agreement)

2. Advise you periodically regarding the Hotel's operation, for example, concerning System Standards and advertising and marketing materials and programs. If you request, and we agree to provide, additional or special guidance, assistance, or training, or if you sign the Service Agreement for Revenue Optimization Services, you must pay our then applicable charges and travel and living expenses. Any specific training, guidance or assistance that we provide does not create an obligation (whether by course of dealing or otherwise) to continue providing that specific training, guidance or assistance, all of which we may periodically modify. (Section 3.5 of Franchise Agreement and Sections 2 to 4 of Service Agreement for Revenue Optimization Services))

3. Let you use our Proprietary Marks. (Sections 11.1 to 11.4 of Franchise Agreement)

4. Let you use our Confidential Information and Copyrighted Materials. (Sections 11.1, 11.6 and 11.7 of Franchise Agreement)

5. Provide you access to the System Standards' which we may modify periodically to reflect changes. You must restrict (and ensure your management company restricts) access to the System Standards according to our policies, as we periodically modify them. If there is a dispute over their contents, our master copy of the System Standards controls. Because complete and detailed uniformity under many varying conditions might not be possible or practical, we may, as we deem best, vary the Hotel System and System Standards for any Hyatt Regency Hotel based upon the peculiarities of any condition or factors that we consider important to that hotel's successful operation. We need not grant you a similar variation or accommodation. The table of contents for the System Standards in effect as of the issuance date of this disclosure document is Exhibit F and reflects that the System Standards comprise 354 pages. (Sections 3.2 and 4.3 of the Franchise Agreement)

6. Conduct periodic inspections of the Hotel and otherwise maintain the Quality Assurance Program for the Hyatt Regency Hotel franchise network. (Section 4.8 of the Franchise Agreement)

7. Provide hosting and subscription services for the Hotel's PMS when you sign the Hosting Services Agreement (Section 1 of Hosting Services Agreement)

8. Continue to provide revenue optimization services if we choose to offer and either you chose to acquire them or we determine that you must acquire them. (Sections 2 and 3 of Service Agreement for Revenue Optimization Services)

Advertising and Marketing

Except for the System Services, which we describe in Item 6, there are no advertising funds or local or regional advertising cooperatives to which franchisees or other Hyatt Regency Hotel operators contribute. However, promoting Hyatt Regency Hotels as a single chain in the United States is an important part of the Hotel System, so you must participate in and use, in the manner we specify, all advertising, marketing and promotional activities, materials and programs that we periodically require for the Hotel. (Section 5.2 of Franchise Agreement) The Hyatt Group prepares advertising, marketing and promotional programs as part of System Services. (Section 4.1 of Franchise Agreement) These programs may cover any media (including print, radio, television and electronic) and their scope may be local, regional, national or international or focus on a subset of hotels (like resort hotels or convention hotels). The Hyatt Group's corporate personnel and advertising agencies develop these programs. We will not use funds that franchisees pay for System Services principally to solicit new franchise sales. We will not prepare any periodic accounting of how we and our affiliates spend these funds. The Hyatt Group need not spend any amount on advertising, marketing or promotional programs in the area where the Hotel is located. There currently are no franchisee advertising councils that advise us on advertising and marketing policies. However, we may form, change, and dissolve these councils.

Before using them, you must submit to us for our prior approval all advertising, marketing, promotional, and public relations plans, programs, and materials that you desire to use or in which you or the Hotel desires to participate and which reference any of the Proprietary Marks, including any materials and uses in digital form. If you do not receive written disapproval within 15 business days after we receive the materials, they are deemed to be disapproved. You may not use any advertising, marketing, promotional, or public relations materials or engage in any of these plans or programs which reference any of the Proprietary Marks that we have not approved or have disapproved and must discontinue using any previously-approved materials and engaging in any previously-approved plans or programs within the timeframe we specify after you receive written notice from us. (Section 5.3 of Franchise Agreement)

The "Hotel System Website" is a website that we or one or more members of the Hyatt Group develops, maintains and/or authorizes for all or a certain group of Hyatt Regency Hotels that we periodically specify (and, at our option, other Hyatt Network Hotels). We currently provide each participating Hyatt Regency Hotel a separate webpage on the Hotel System Website. You must comply with all System Standards relating to the Hotel System Website, including by providing us (or our designee) all information and other materials concerning the Hotel that we periodically request and promptly notifying us whenever any information concerning the Hotel on the Hotel's webpage is no longer accurate. We have the final decision about all information or materials appearing on the Hotel System Website. As between us and you, we own all intellectual property rights and other rights in and to the Hotel System Website, including all data that visitors supply or the Hotel System Website obtains. We may discontinue the Hotel System Website and/or any of its content (including separate webpages for participating Hyatt Regency Hotels) at any time.

You may not develop, maintain or authorize any website (other than the Hotel System Website) that has the word “hyatt” or any similar word, as part of its domain name or URL or that accepts reservations for the Hotel (other than through an approved link to a Hotel System Website) or otherwise sells any products or services associated with the Hotel or any of the Proprietary Marks. In addition, except for the Hotel System Website, approved ADS, and as otherwise provided here, you may not develop, maintain or authorize any other website, other online presence or other electronic medium that describes or in any other way promotes the Hotel or displays any of the Proprietary Marks. You may, with our approval (which we will not unreasonably withhold) and subject to compliance with System Standards, authorize any Travel Services Website or Franchisee Organization Website to list and promote the Hotel together with other hotels. A “Travel Services Website” is a website that a third party (which is not your affiliate) operates that promotes and sells travel-related products and services for a number of hotel brands, including other Hyatt Network Hotels. A “Franchisee Organization Website” is a website that mentions the Hotel and other hotels in which you and your affiliates have an interest as part of your and your affiliates’ portfolio of properties and that has a primary purpose of promoting the entire portfolio (rather than only promoting the Hotel). (Section 5.4 of Franchise Agreement)

Technology System

You must use the computer systems, sales and marketing systems, communications equipment and related equipment and supplies that we or our affiliate require in the Hotel’s operation (the “Technology System”). One of the Technology System’s main components is the property management system (“PMS”), which runs the front desk and other Hotel departments and contains guest databases and other operational functions. Among other things, the Technology System also performs reservations, catering automation, learning management, check-in/out kiosk, revenue management, security and PCI compliant technology. We, our affiliate, or a designated supplier may periodically update the hardware standards for the Technology System as we or they deem appropriate.

The specific amount of equipment you will need for the Technology System varies widely depending on the Hotel’s size and configuration. Hardware and equipment are the proprietary property of their manufacturers. While other available components perform the same or similar functions as those that are a part of the Technology System, we have not approved any of these substitute components. Most of this hardware and equipment is generally available from a number of vendors, but we will arrange for you to buy the hardware and equipment from various re-sellers that our affiliates use.

The Technology System also uses other widely-available software programs, including Microsoft software. The software programs are the proprietary property of their manufacturers. These programs are generally available from a number of vendors, but we will arrange for you to license the software from various vendors that our affiliates use. The Technology System will generate and store revenue, cash, payment, labor and all other data relating to the Hotel and its operations. We will provide project management implementation and related services for the Technology System. We estimate that it will cost approximately \$750,000 to \$1,300,000 for you to acquire and install the Technology System at the Hotel.

Hyatt Corporation will arrange for third parties to install the Technology System at the Hotel. We or our designated vendor of the PMS software will provide maintenance, support, upgrades and updates for the PMS software as part of its license fees. You also must acquire maintenance and support contracts from the companies who sell the hardware. Hyatt Corporation will provide other maintenance, support, upgrades and updates for parts of the Technology System and certain other technology services as part of the Mandatory Services for the Hotel, all of which are included in the Commercial Services Fee. No other party has the contractual right or obligation to provide ongoing maintenance, repairs, upgrades or updates for Technology System components. If you or your management company do not have in-house technology services support, you must contract with a third party technology consultant that meets our qualifications for “break/fix” support. You must also use our designated cyber end point protection and web filtering tools and enter into agreements with suppliers of such services, if applicable.

We may periodically require changes, upgrades or updates to the Technology System. No contract limits the frequency or cost of changes, upgrades or updates. We or our affiliates may charge you reasonable fees for software or other technology that we license to the Hotel and for other Technology System maintenance and support services that we or they periodically provide to the Hotel. We will have independent, unlimited access to the information that the Technology System generates and tracks. (Sections 4.1, 4.3, 4.4 and 7.3 of Franchise Agreement)

Hotel Opening

If you are developing a new Hyatt Regency Hotel, including by adapting an existing building to a new use as a hotel, we estimate that you will open the Hotel approximately 24 to 36 months after paying the Application Fee. If you are converting an existing hotel from another brand to a Hyatt Regency Hotel, we estimate that you will open the Hotel approximately 3 to 24 months after paying the Application Fee. The interval depends on the time it takes for you to finalize acquisition of the Hotel’s premises (if applicable) and sign the Franchise Agreement, the suitability of the site, weather, the location and condition of the premises (including the premises’ former use) and the construction schedule for the Hotel. You must open and begin operating the Hotel within 24 months after signing the Franchise Agreement for new Hyatt Regency Hotels and 6 months after signing the Franchise Agreement for converted hotels (unless we agree to a longer period before we and you sign the Franchise Agreement). You also must meet various interim deadlines for the Hotel’s development. If you do not meet these requirements, then you must pay the \$10,000 extension fee to us and request an extension, which we may grant or deny at our option. If we approve the extension, we will set a new opening deadline, the extension fee is non-refundable, and we may (at our option) require you to modify any previously-approved detailed plans or the PIP (as applicable), to comply with the then current design, equipment and other aspects of the Hotel System. If you do not open the Hotel by the required completion date, we may terminate the Franchise Agreement.

You may not open or begin operating the Hotel under the Proprietary Marks until we have notified you in writing that: (1) you have properly developed and equipped the Hotel in compliance with the Franchise Agreement and all applicable laws; (2) Hotel personnel have completed all pre-opening training to our satisfaction; (3) you have paid all amounts then due to us and our affiliates; (4) you have obtained all required certificates of occupancy, licenses and permits to operate the Hotel; (5) you have given us evidence of insurance coverage and payment of premiums we request;

(6) you have given us certifications concerning the Hotel's construction; and (7) we have conducted a pre-opening inspection and approved the Hotel for opening under the Proprietary Marks. You must open and begin operating the Hotel under the Proprietary Marks within 10 days after receiving our authorization, which we will not unreasonably withhold or delay. We may terminate the Franchise Agreement if you do not meet these deadlines. Our determination that you have met all of our pre-opening requirements is not a representation or warranty, express or implied, that the Hotel complies with any laws or is safe for occupancy, nor shall such determination act as a waiver of your non-compliance, or our right to demand full compliance, with our pre-opening requirements or any other provision of the Franchise Agreement. You must indemnify us for costs and expenses we incur because of your failure to open on time, including amounts we pay to customers whose reservations are canceled. (Sections 2.1 to 2.6 and Exhibit B of Franchise Agreement).

You must and must cause your lessees and your affiliates and their respective lessees to: (a) develop, maintain and operate all Non-Hotel Components within the Mixed-Use Site (as defined in Item 16) in accordance with quality, design and operational standards consistent with the quality, design and operational standards applicable to the Hotel, (b) refrain from advertising, marketing or promoting the Non-Hotel Components as being associated with or part of the Hotel, the "Hyatt Regency" brand or any other Proprietary Marks, except in connection with Hotel, advertisement and promotion approved pursuant to Section 5 of the Franchise Agreement; and (c) operate the Non-Hotel Components in a way that, in our reasonable judgment, does not damage or reflect adversely on the goodwill associated with any Proprietary Mark.

Training

Our current required initial training program has 6 parts: the owner briefing, the owner orientation, the operations training program, the sales/catering/revenue training program, the training programs for other Hotel personnel, and the grand opening training. Except for any optional courses that we choose to provide, all initial training is mandatory. Our Franchise Learning Department administers and directs all of our initial training in coordination with our corporate operations team. Matt Fallon, Associate Vice President, Learning Strategy & Design, leads the Franchise Learning Department. He has over 30 years of experience in Human Resources, Operational Management and Training roles and joined us and our affiliates in 2017. We also have a staff of training professionals who conduct various training programs. These staff members typically have at least 15 years of experience in the hotel industry and/or in learning and development roles and at least 5 years of experience with us or our affiliates. The System Standards, videos, charts, pamphlets, and other training aids serve as the instructional materials for the training programs. You must pay us the fees and expenses described in Item 5 and Item 6 and you are responsible for all travel and living expenses (including travel, lodging, food and beverage, and miscellaneous charges) for your personnel.

Owner Briefing

Your managing owner or senior operations officer must attend a briefing, either virtually or at our corporate headquarters in Chicago, Illinois, within 6 months (for new construction hotels) or 3 months (for conversion hotels) after signing the Franchise Agreement. Our SVP Global Franchise Operations & Owner Relations supervises this briefing, which we hold whenever

necessary. There are no instructional materials or tasks that your managing owner or senior operations officer must complete to our satisfaction. As of the date of this disclosure document, this 2-day briefing takes place in a classroom or virtual setting covers the following topics:

**TRAINING PROGRAM
Owner Briefing**

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
An overview of our building process and support structure	8	0	Chicago, Illinois, a Hyatt hotel location we designate, or virtually
Total Hours – Owners Briefing	8	0	

Owner Orientation

Your managing owner or senior operations officer must attend and complete to our satisfaction the owner orientation within 6 months after signing the Franchise Agreement. We conduct owner orientation virtually, at a Hyatt hotel location we specify, or at our company headquarters in Chicago, Illinois approximately once per quarter. As of the date of this disclosure document, this 2-day briefing takes place in a classroom or virtual setting and covers the following topics:

**TRAINING PROGRAM
Owner Orientation**

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Introduction to Hyatt brands, support functions, strategy, tools, and culture	8	0	Chicago, Illinois, Hyatt hotel location we designate, or virtually
FF&E, design, F&B, brand standards and purchasing	8	0	Chicago, Illinois, Hyatt hotel location we designate, or virtually
Total Hours – Owners Orientation	16	0	

General Manager Orientation

The Hotel’s proposed general manager must attend a 10-session (15 hour) virtual training program, which provides an overview of Hyatt’s brand requirements and the tools made available by us in support of these requirements, plus complete designated self-paced eLearning and virtual content. In addition, we may require your general manager to participate in a 2-day in-person training session at our corporate headquarters in Chicago, Illinois or a Hyatt hotel location we specify. This orientation gives the general manager an opportunity to meet our affiliates’ personnel who will be providing training.

General managers must successfully complete this orientation within 120 days after hire. Our SVP Global Franchise Operations & Owner Relations supervises this orientation, for which we maintain an ongoing schedule adjusting to the volume of general manager hires. General managers must consistently participate in all aspects of the Brand Promise + Process virtual program in order to successfully complete this orientation.

As of the date of this disclosure document, this training covers the following topics:

TRAINING PROGRAM General Manager Orientation

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Brand Promise + Process: Hyatt culture and portfolio of brands, brand expectations, standards, commercial services, operating systems, key metrics and tools	15	0	Virtually, or at a Chicago, Illinois Hyatt hotel or office we designate
Hyatt’s Loyalty Program (World of Hyatt)	3-4	0	Self-paced eLearning and virtually
Total Hours – General Managers Orientation	18-19	0	

Operations Training and Sales/Events/Revenue Management Training

Your Hotel’s Core Management team and other personnel we specify (as described in the chart below) must complete various initial mandatory brand standard training courses to our satisfaction before the Hotel’s grand opening. We conduct some of this training at our company headquarters in Chicago, Illinois. Additionally, components of the training may take place at a Hyatt hotel we designate. We conduct this training according to an annual schedule, with some programs held quarterly or semi-annually and others held as often as necessary. In some instances, as necessary to meet your Hotel’s opening date, we may send our trainers to your Hotel to conduct

training programs that we typically hold at our headquarters. We recommend that managers and directors who are new to their role attend the live classroom New Hire Training and complete online training within 6 months of being hired. There are some periodic requirements that your operational, sales/events/revenue managers must complete to our satisfaction, including eLearning knowledge checks and assessments, and full attendance and participation in virtually-facilitated programs.

As of the date of this disclosure document, this training the following topics:

**TRAINING PROGRAM
Operations**

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
New Hire Training - for hotel senior leadership positions including but not limited to: General Managers, Director of Operations, Food and Beverage Directors, Rooms Directors and/or other senior operational leaders – Topics include: the fundamentals of Hyatt hotel operations, brand standards, HySat, In-Stay Engagement, Colleague Advantage, and Guest Experience Resource Library	16-32	0	Your hotel
Hyatt’s Loyalty Program (World of Hyatt)	4	0	Your hotel
Operations: Hyatt’s brand/operations training defines service and skill standards required for hourly and management	0	24-80 (based on position help)	Your hotel
Reservations Managers: Central reservations system training	16	0	Your hotel, a Hyatt hotel we designate, Chicago, Illinois or Virtually
System Users: Property management system (various by position)	16-40	16	Your hotel, a Hyatt hotel we designate, Chicago, Illinois or Virtually
Total Hours – Operations Training	52-92	40-96	

TRAINING PROGRAM
Sales/Events/Revenue Management

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Sales Leader: Hyatt Sales Onboarding	30 (completed within 90 days of hire)	0	Virtually-facilitated program
Sales Leader: Envision Sales Overview, Booking Management, Transient	3	0	Self-paced eLearning
Sales Leader: World of Hyatt How it Works	1	0	Self-paced eLearning
Sales Leader: Hotel Sales Team	1	0	Self-paced eLearning
Sales Leader: PRIO Training for Hotel General Managers & Directors of Sales	5	0	Virtually-facilitated program
Sales Leader: Introduction to PRIO Videos	1	0	Self-paced eLearning
Sales Leader: Life of Revenue Management PRIO User Training, Full Pattern Length of Stay, Rate Management Tool (RMT), and Reserve Inventory & Maintenance	10	0	Self-paced eLearning
Revenue Management New Hire Orientation	2	0	Virtually-facilitated program
Revenue Systems Training	20	0	Virtual Classroom
PRIO Certification	1.5	0	Self-paced eLearning
Events M.E.E.T. Skills & Systems Training	10 (completed within 6 months of hire)	0	Your hotel, a Hyatt hotel we designate, Chicago, Illinois or virtually
Events: Systems Training	0	20	Your hotel
Total Hours – Sales/Events/Revenue Management Training	84.5	20	

Training for Other Personnel

We also offer other brand standard training programs for various Hotel personnel that a representative from your Hotel will facilitate as often as needed. Some of these programs include instructional materials or tasks that personnel must complete to our satisfaction, as indicated below. As of the date of this disclosure document, this training covers:

Subject	Hours of Classroom Training	Hours of On-the Job Training	Location
Welcome to Hyatt Orientation	6	0	Your hotel
Creating Connections	4	1-2	Your hotel
Department Training – Train the Trainer	0	2.5	Your hotel
Guest Experiences Training - including but not limited to In Stay Engagement, GEM, Colleague Advantage, Guest Resources Library, Responsible Alcohol Service	2-8	2-8	Your hotel
Guest Loyalty Training (World of Hyatt) – program completion requires 80% correct on eLearning knowledge test	1-6 (varies by position)	1-4	Your hotel
Related position systems training – including but not limited to Opera, Reserve, Symphony	4-8 (varies by position)	4-12 (varies by position)	Your hotel
Total Hours – Other Personnel	17-32	10.5-28.5	

Training for Other Personnel – Required

We also require other brand standard training programs for various Hotel personnel that a representative from your Hotel will facilitate as often as needed. Instructional materials are provided, and personnel must complete certain tasks, as indicated below. These requirements are routinely updated and subject to change. As of the date of this disclosure document, this required training covers:

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Guest Loyalty Training (World of Hyatt)	1-6 (varies by position)	1-4	Your hotel
Hyatt's Human Trafficking Training – this program requires annual retraining for all employees	1.5	0	Your hotel
Cyber Security & Privacy Training – Hotel must maintain annual retraining for all employees, completion includes acknowledgment of related policies	0.5	0	Your hotel
Hygiene & Wellbeing Leader Certification – Hotel must maintain annual certification for minimum 1 employee, including successful completion of self-paced knowledge test	3.5	0	Your hotel
Total Hours – Other Personnel	6.5-11.5	1-4	

Grand Opening Training

For the final part of our required initial training program, we send a pre-opening team of 5 to 6 trainers (at our option) to assist with training the Hotel staff on brand standards and related issues concerning the Hotel's grand opening. You must pay us a fee and our trainers' travel and living expenses. The trainers arrive at or before the grand opening and typically stay for about 13 days, although we may (at our option) conduct this training on more than one visit. There are no instructional materials or tasks that you must complete to our satisfaction. As of the date of this disclosure document, there is no predetermined agenda for this on-the-job training. The trainers will generally train Hotel staff with aspects of day-to-day operations, including:

- Guest services
- Housekeeping
- Food and beverage
- Front desk
- Culinary (if applicable)

Additional, Supplemental, and Optional Training Programs During Franchise Term

If any member of the Hotel's Core Management team or other individuals whom we required to attend training ceases to hold that position, you (or the approved management company

or any F&B Operator) must have his or her replacement attend and successfully complete the applicable mandatory brand standard training programs that we reasonably specify, some of which we describe above, within 90 days (or a longer period we periodically designate) after assuming his or her position. We may charge fees for this training, and you must pay all travel and living expenses. If we determine that any Hotel personnel have failed to satisfactorily complete any training program, you (or the approved management company or F&B Operator) must immediately hire a substitute and promptly arrange for that person to complete training to our satisfaction.

We may, at the times and places we deem best, require the Hotel's Core Management and other personnel to participate in regional and national conventions, meetings and other brand standard training programs that we periodically specify. For example, we may require additional training when major concept and repositioning changes occur in a food and beverage outlet at the Hotel. These individuals must attend any supplemental training within the time period we reasonably specify after you receive notice from us. We also may periodically hold an owner convention for all or a certain group of Hyatt Hotels and/or all or certain other Hyatt Network Hotels at a location we periodically designate. You must pay our fees for these programs and conventions. You must pay all of your personnel's travel, living and other expenses (including local transportation expenses) and compensation relating to these training programs and conventions. (Sections 3.1 and 3.3 and Exhibit B of Franchise Agreement)

In addition to our mandatory initial training programs, we also offer various optional brand standard training courses for Hotel personnel during the Franchise Agreement's term. We typically update the menu of optional courses annually to address then current hotel and business needs. These optional offerings include discounted enrollment for eCornell's self-paced, facilitated courses (\$275) and certificate programs specifically curated for hospitality professionals. We also make available other virtually-facilitated commercial services offerings and over 1,600 free, multi-lingual self-paced courses via our learning platform. In addition, we periodically offer optional instructor-led or virtual programs for a fee. You may, at your option, send Hotel personnel to some or all of these programs if you pay our then current fees. We typically conduct optional training programs either at our headquarters in Chicago, Illinois, at your Hotel, or at another operating Hyatt hotel. We offer optional brand standard training programs on an ongoing basis. 100% of our new franchisees attended at least one optional brand standard training program in 2021.

Item 12

TERRITORY

You must operate the Hotel only from a specific site that we first approve. Your rights under the Franchise Agreement are limited to operating the Hotel at the approved site. If all or a substantial portion of the Hotel is condemned or suffers a casualty requiring you to close all or a portion of the Hotel, you may relocate the Hotel to a location we approve.

Unless the Hotel is an operating Hyatt Regency Hotel, we and you will agree on the boundaries of your "Area of Protection" before signing the Franchise Agreement. We typically

define the Area of Protection's boundaries using geographic references (such as streets or rivers) or as a circle with the Hotel at its center. The Area of Protection's size will vary depending on the Hotel's size and location. It could be as small as a few blocks in urban areas and up to about a 3 mile radius from the Hotel's entrance in certain suburban areas. We also will assign an "AOP Term" and list the AOP Term in the Franchise Agreement before we and you sign it. The AOP Term is the time period during which your rights in the Area of Protection will apply. The AOP Term begins on the effective date of the Franchise Agreement and typically ends from 1 to 5 years after the Hotel's opening date.

Subject to the one exception below, during the AOP Term, neither we nor any of our affiliates will open and operate, nor authorize any other party to open and operate, any other Hyatt Regency Hotel the physical premises of which are located within the Area of Protection. One exception to this restriction is that, during the AOP Term, if we or any affiliate acquires ownership of or the right to operate or manage (regardless of the form of transaction) another group of at least 4 hotels, one or more of which hotels are located or are under contract or construction to be located in the Area of Protection, then we and our affiliates will have the unrestricted right to convert, or cause to be converted, the acquired hotel(s) within the Area of Protection from its (or their) original trade identity to operate under the Proprietary Marks and the Hotel System. We then may operate, or authorize any other party to operate, those hotel(s) as Hyatt Regency Hotels, even if one or more of the other acquired hotels, whether operating within or outside the Area of Protection, are not converted to Hyatt Regency Hotels.

If the Hotel is an operating Hyatt Regency Hotel, you may not receive any Area of Protection or AOP Term when signing the Franchise Agreement. We will make the determination of whether to provide any Area of Protection based on the time during which the Hotel has operated under the "Hyatt" or "Hyatt Regency" name and the market conditions under which the Hotel operates.

Your rights in the Area of Protection apply only during the AOP Term. Following the AOP Term, you will have no territorial rights or protection, whether within or outside the Area of Protection, and we and our affiliates may open and operate, and authorize any other parties to open and operate, other Hyatt Regency Hotels the physical premises of which are located within the Area of Protection, including under franchise and other agreements signed during the AOP Term. Because we and others may establish and operate one or more Hyatt Regency Hotels within the Area of Protection after the AOP Term expires, and during the AOP Term under the exception above, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we control.

Except for the limited exclusivity provided above, your rights under the Franchise Agreement are nonexclusive in all respects, the Hotel has no territorial protection whatsoever, and we and our affiliates have the right without restriction to engage in any and all activities we and they desire (including with respect to any and all types of lodging facilities) at any time and place, whether or not using the Proprietary Marks or any aspect of the Hotel System, and whether or not those activities compete with your Hotel. We and our affiliates may use or benefit from, among other things, common computer systems, administrative systems, reservation systems, purchasing systems, and personnel and may provide some or all of the System Services to other Hyatt Network

Hotels and other hotels, lodging facilities and other businesses, even if they compete with your Hotel. You will have no right to pursue any claims, demands, or damages as a result of these activities, whether under breach of contract, unfair competition, implied covenant of good faith and fair dealing, divided loyalty, or other theories.

You have no options, rights of first refusal or similar rights to acquire additional franchises. Continuation of your territorial rights does not depend on your achieving a certain sales volume, market penetration or other contingency. We may not alter your Area of Protection or territorial rights during the AOP Term.

There are no restrictions on where you or other Hyatt Regency Hotel operators (including us and our affiliates) may solicit customers or accept orders. We and our affiliates may use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, to make sales in the Area of Protection under the Proprietary Marks and other trademarks without compensating you. You may use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, to advertise and market the Hotel outside of the Area of Protection with our approval. Except for the CRS, you may not use the Internet or any other method to accept reservations for the Hotel.

As described in Item 1, Hyatt Corporation and certain of its affiliates operate and/or grant franchises for various types of hotel, resort, spa, timeshare and other lodging facilities, other accommodations and hospitality affiliations that operate under the Hyatt® name and other trade names. (We disclose the principal business addresses for Hyatt Corporation and some of these affiliates, and these other trade names, in Item 1.) We share offices and/or training locations with Hyatt Corporation and some of its other affiliates. These facilities may solicit and serve customers located near your Hotel’s location. You should expect to find, now and in the future, facilities identified with the Hyatt® name and/or these other trade names, and other brands that we and our affiliates operate, franchise, or develop in the future, in your Area of Protection. These facilities will sell goods and services similar to those that you will sell. If conflicts arise between our franchisees and the franchisees and operators of these other facilities, we will analyze them and take the actions (if any) that we deem appropriate. We also may (but need not) develop internal policies for dealing with conflicts.

Item 13

TRADEMARKS

You may use the Proprietary Marks in operating the Hotel. Hyatt Corporation registered the following principal Proprietary Marks on the Principal Register of the United States Patent and Trademark Office (the “PTO”):

<u>Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
Regency Club	1,204,963	August 10, 1982
Hyatt	945,384	October 17, 1972
Hyatt Regency	982,652	April 23, 1974
Hyatt Regency logo (stacked)	4,620,110	October 14, 2014

<u>Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
Hyatt Regency logo	4,523,426	April 29, 2014
World of Hyatt	5,201,881	May 9, 2017

Hyatt Corporation has made all required renewal and affidavit filings for these registrations.

Hyatt Corporation granted us the rights to use and sublicense the Proprietary Marks under a Trademark License Agreement dated November 1, 1993, as amended. That agreement has a 20-year term with 3 10-year renewal terms. Hyatt Corporation may terminate the agreement only if we fail to comply with the agreement, but a termination will not affect the rights of franchisees under franchise agreements signed before the termination. No agreement significantly limits our rights to use or license the Proprietary Marks in a manner material to the franchise.

There are no currently effective material determinations of the PTO, the Trademark Trial and Appeal Board, any state trademark administrator or any court, and no pending infringement, opposition or cancellation proceedings or other material federal or state court litigation, involving the Proprietary Marks. We do not know of any superior prior rights or infringing uses that could materially affect your use of the Proprietary Marks in any state.

You must follow our rules when using the Proprietary Marks. You (and any F&B Operators at the Hotel) may not use the Proprietary Marks with any Hotel restaurant operations without our prior written consent, which we will not unreasonably withhold, and complying with all related System Standards. If we discover your unauthorized use of the Proprietary Marks, we may require you to destroy (with no reimbursement from us) all offending items reflecting that unauthorized use. You must notify us immediately of any apparent infringement or challenge to your use of any Proprietary Mark, or of any person's claim of any rights in any Proprietary Mark, and not communicate with any person other than us, our affiliates, and our and their attorneys, and your attorneys, regarding any infringement, challenge, or claim. We and our affiliates may take the action we and they deem appropriate (including no action) and control exclusively any litigation, PTO proceeding, or other proceeding arising from any infringement, challenge, or claim or otherwise concerning any Proprietary Mark. You must sign any documents and take any other reasonable actions that, in the opinion of our and our affiliates' attorneys, are necessary or advisable to protect and maintain our and our affiliates' interests in any litigation or PTO or other proceeding or otherwise to protect and maintain our and our affiliates' interests in the Proprietary Marks. We will reimburse your reasonable out-of-pocket costs for taking any requested action.

If it becomes advisable at any time for us and/or you to modify, discontinue using, and/or replace any Proprietary Mark and/or to use one or more additional, substitute, or replacement trade or service marks, you must comply with our directions within a reasonable time after receiving notice. Neither we nor our affiliates will reimburse you for any costs or expenses you incur relating to these directions, including your expenses of changing the Hotel's signs, any loss of revenue due to any modified or discontinued Proprietary Mark, or your expenses of promoting a modified or substitute trademark or service mark. Our rights in this paragraph apply to any of the Proprietary Marks (and any portion of any Proprietary Mark) that we authorize you to use.

We will reimburse you for all damages and expenses that you incur in any trademark infringement proceeding disputing your authorized use of any Proprietary Mark if you have timely notified us of, and comply with our directions in responding to, the proceeding. We will defend you in the proceeding and, at our option, we and/or our affiliate(s) may defend and control the defense of any proceeding arising from your use of any Proprietary Mark.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents or pending patent applications are material to the franchise. We and our affiliates claim copyright protection for the Copyrighted Materials. We have not registered these Copyrighted Materials with the United States Copyright Office but need not do so at this time in order to protect them. You must follow our rules when using the Copyrighted Materials. You may use the Copyrighted Materials only as we specify to operate the Hotel under the Franchise Agreement.

You must notify us immediately of any apparent infringement or challenge to your use of any Copyrighted Materials or Confidential Information, or of any person's claim of any rights in any Copyrighted Materials or Confidential Information, and not communicate with any person other than us, our affiliates, and our and their attorneys, and your attorneys, regarding any infringement, challenge, or claim. We and our affiliates may take the action we and they deem appropriate (including no action) and control exclusively any litigation or administrative proceeding arising from any infringement, challenge, or claim or otherwise concerning any Copyrighted Materials or Confidential Information. You must sign any documents and take any other reasonable actions that, in the opinion of our and our affiliates' attorneys, are necessary or advisable to protect and maintain our and our affiliates' interests in any litigation or other proceeding or otherwise to protect and maintain our and our affiliates' interests in the Copyrighted Materials and Confidential Information. We will reimburse your reasonable out-of-pocket costs for taking any requested action.

We need not participate in your defense nor indemnify you for damages and expenses you incur if you are a party to any administrative or judicial proceeding involving any Copyrighted Materials or if the proceeding is resolved unfavorably to you. If it becomes advisable at any time in our sole judgment for you to modify or discontinue using any of the Copyrighted Materials and/or for you to use one or more additional or substitute copyrighted or copyrightable items, you must immediately comply with our directions.

There are no effective material determinations of, or pending material proceedings before, the PTO, the United States Copyright Office, or any court involving the Copyrighted Materials. We do not know of any infringement of the Copyrighted Materials that could materially affect you. No agreement significantly limits our right to use or license the Copyrighted Materials.

You will sign the Confidentiality Agreement while we and you are evaluating whether to start a franchise relationship. You must keep confidential all information concerning development plans for particular sites or markets and information concerning our plans, strategies, operations,

processes, and System Standards, including any information in the PIP that we conduct or prepare for your hotel. These obligations continue even if we and you do not sign a Franchise Agreement. You must take reasonable measures to ensure that your employees, agents and advisors comply with these restrictions and are responsible if they fail to do so. You also must promise us that our and your discussions and, if applicable, your signing a Franchise Agreement do not violate any laws, breach any agreements or require any consents.

We and our affiliates possess (and will continue to develop and acquire) Confidential Information, some of which constitutes trade secrets under applicable law, relating to developing and operating Hyatt Regency Hotels. “Confidential Information” includes: (1) site selection criteria; (2) the substance, design, and construction of Hyatt Regency Hotels and the Design and Construction Standards; (3) training and operations materials and manuals; (4) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating Hyatt Regency Hotels; (5) marketing, advertising and promotional programs for Hyatt Regency Hotels; (6) Guest Information (defined below) and any information and data relating to guests and customers of other Hyatt Regency Hotels and/or other Hyatt Network Hotels; (7) knowledge of specifications for and suppliers of FF&E and other products and supplies that are uniquely identified with Hyatt Regency Hotels and/or other Hyatt Network Hotels; (8) any part of the Technology System and other computer software or other technology that is proprietary to us, our affiliates or the Hotel System, including digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or other technology; (9) knowledge of the operating results and financial performance of Hyatt Regency Hotels other than the Hotel; (10) graphic designs and related intellectual property; and (11) any negotiated provisions of the Franchise Agreement and any other agreements we sign with you.

Confidential Information is proprietary and includes our and our affiliate’s trade secrets. You (a) must not use (or allow your affiliates to use) Confidential Information in any other business or capacity; (b) must keep confidential each item that is a part of Confidential Information, both during and after the Franchise Agreement’s term (afterward for as long as the item is not generally known in the hotel industry); (c) must not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form; and (d) must adopt and implement reasonable procedures that we periodically specify to prevent unauthorized use or disclosure of Confidential Information.

Confidential Information does not include information, knowledge, or know-how that you can demonstrate lawfully came to your attention before we or our affiliate provided it to you directly or indirectly; that, at the time we or our affiliate disclosed it to you, already had lawfully become generally known in the hotel industry through publication or communication by others (without violating an obligation to us or our affiliate); or that, after we or our affiliate disclose it to you, lawfully becomes generally known in the hotel industry through publication or communication by others (without violating an obligation to us or our affiliate). However, if we include any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that one of these exclusions is satisfied.

All Guest Information is our property and part of Confidential Information. “Guest Information” means information and data relating to or derived from the Hotel’s guests and other

customers during the Franchise Agreement's term, whether obtained from the guest or customer or from any other source, including names, preferences, and other information about the guests' or customers' experiences and/or purchases, and including information stored in or provided to the CRS or the Hotel's property management system. We have the right periodically during the Franchise Agreement's term, without notice to you, to access the Hotel's property management system and other computer systems to retrieve Guest Information. We and our affiliates may use, and allow others to use, the Guest Information in any manner that we deem appropriate (subject to applicable law).

You may use the Guest Information, and certain other information and data relating to guests and customers of other Hyatt Regency Hotels and/or other Hyatt Network Hotels that we periodically specify, during the Franchise Agreement's term only to market to and provide services to the Hotel's guests and potential guests in compliance with the System Standards and all applicable laws, rules and regulations. You must ensure that your affiliates may not access, and neither you nor any of your affiliates may use, any of that Guest Information or that other information or data in any other business or capacity. However, following the Franchise Agreement's expiration or termination, you may use, and allow your affiliates and others to use, any Guest Information that was generated at the Hotel (and that we or our affiliate did not supply to the Hotel) during the guest's stay at the Hotel and stored in the Hotel's property management system database in any manner that you deem appropriate (subject to applicable law) at your own risk, if you comply, and ensure that any recipients of that Guest Information from you comply, with our then current policies and procedures regarding the collection, storage, use, processing and transfer of personal and/or financial data. If there is an actual or suspected breach of security or unauthorized access of Guest Information or other information from the Hotel's property management system or other computer system database, you must notify us promptly and we may require you to use a third party supplier we designate, at your sole cost and expense, to review and if necessary, remediate that breach or unauthorized access. You must not take any action that could jeopardize our or our affiliate's ability to comply with, or make certifications under, any law, regulation, contract, program or policy related to Guest Information (including privacy laws, privacy notices and PCI certifications) and applicable to us or our affiliate.

You must promptly disclose to us all inventions, innovations and discoveries relating to a Hyatt Regency Hotel and based or relying upon any element of the Hotel System, including any advertising, marketing, promotional or public relations plans, programs or materials that you or your contractors develop for the Hotel (collectively, "Innovations"), whether or not protectable intellectual property and whether created by or for you, your affiliates or contractors, or your or their employees. Innovations are our and our affiliate's sole and exclusive property, part of the Hotel System, and works made-for-hire for us and our affiliate. You may not use any Innovation in operating the Hotel or otherwise without our prior written consent. If any Innovation does not qualify as a "work made-for-hire" for us and our affiliate, you assign ownership of that Innovation, and all related intellectual property rights and other rights to that Innovation, to us and must take whatever action (including signing assignment or other documents) we request to evidence our ownership or to help us obtain intellectual property rights in the Innovation.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Hotel Management

Either a management company we approve, or you (if we approve you to manage the Hotel), must at all times retain and exercise direct management control over all aspects of the Hotel's business and be the employer of the Hotel's Core Management and other personnel, unless an F&B Operator whom we approve employs the individual(s) serving as director of food and beverage, director of catering, and/or executive chef for the Hotel. You may not enter into any lease, management agreement, or other similar arrangement with any management company for the management or other oversight of all or a part of the Hotel's operation (a "Management Arrangement") without our prior written approval of the management company, and you may not yourself manage the Hotel without our approval of you as the Hotel's operator. We will not unreasonably withhold our approval if the management company or you (as applicable) meets our minimum qualifications and ensures that its or your personnel attend and satisfactorily complete required brand standard training programs. If we approve a management company, as a condition of that approval, the management company must sign the documents we require to protect our intellectual property rights and reflect its agreement to perform its management responsibilities and operate the Hotel in compliance with the Franchise Agreement. Our current form of Management Company Rider is attached as Exhibit F to the Franchise Agreement.

We may refuse to approve a management company that is a Brand Owner. "Brand Owner" means any entity that (a) is either a franchisor or owner of a Competing Brand (defined below), (b) manages or otherwise operates hotels exclusively for the franchisor or owner of a Competing Brand, or (c) is an affiliate of any entity described in (a) or (b) above. A "Competing Brand" is a hotel concept that has at least 5 hotels operating under that concept's trade name anywhere in the world and that, in our reasonable opinion, competes with Hyatt Regency Hotels. If the management company at any time becomes a Brand Owner or fails to meet our minimum qualifications (as we may periodically modify them) or to comply with the Management Company Rider, or if you are managing the Hotel and at any time fail to meet our minimum qualifications (as we may periodically modify them) or to comply with any Franchise Agreement provision concerning the Hotel's management or operation, then we may revoke our approval of that management company or you as the Hotel's manager. You then must promptly terminate the Management Arrangement (if applicable) and either assume direct control of the Hotel's management and operation, if we approve you to manage the Hotel, or engage another management company we approve.

You must ensure that all F&B Operations and all Spa Operations (if the Hotel has Spa Operations) operate in full compliance with all applicable laws, rules and regulations and all applicable System Standards. You must provide, or cause the management company to provide, all brand standard training programs to the F&B Operator and Spa Operator (if the Hotel has Spa Operations) that we periodically specify. If the F&B Operator or Spa Operator at any time fails to operate in full compliance with all applicable laws, rules and regulations and all applicable System Standards, or fails to comply with any agreement with us, then, without limiting our other rights

and remedies under the Franchise Agreement and applicable law, we may revoke our approval of the F&B Operator or Spa Operator (as applicable). You then must promptly terminate your arrangement with the F&B Operator or Spa Operator and either assume (if we approve you to manage the Hotel) or have your approved management company assume direct control of the Hotel's F&B Operations or Spa Operations (as applicable) or engage another approved F&B Operator or Spa Operator we approve.

At our option, before the Hotel's general manager is engaged, you must submit to us the proposed candidate's identity and qualifications. If the general manager fails to ensure that the Hotel satisfies our quality assurance requirements and other brand standards, then we may require you (or your approved management company) to hire a new general manager for the Hotel. You or the management company (as applicable) is solely responsible for hiring the Core Management and other Hotel personnel and determining the terms and conditions of their employment. You (or your approved management company or F&B Operator) must hire and properly train all Core Management personnel and have a Core Management team in place at the Hotel at all times. Also, each Core Management team member must spend all of his or her working time at the Hotel fulfilling his or her management and operational responsibilities and may not concurrently maintain a position at another lodging facility or in any other capacity related to the lodging industry.

A Core Management team who has satisfactorily completed our initial training program must devote all of its business time to supervising the Hotel's day-to-day operations. Your Hotel's general manager and other Core Management personnel need not have an equity interest in the Hotel or in you.

Guaranty and Guarantor Monetary Threshold

We expect that only business entities, and not individuals, will sign our Franchise Agreement. You must cause one or more of the direct and indirect owners (whether they are individuals or business entities) of a Controlling Ownership Interest (defined below) in you which we specify to sign the form of Guaranty and Assumption of Franchisee's Obligations attached to the Franchise Agreement (the "Guaranty"). Under the Guaranty, these owners must personally guaranty all of your obligations under the Franchise Agreement and be personally bound by, and personally liable for the breach of, every provision of the Franchise Agreement, both monetary and non-monetary, including the confidentiality and arbitration obligations.

In addition, each owner that signs the Guaranty must agree, and you must ensure, that at least one guarantor will satisfy the Guarantor Monetary Threshold at all times during the Franchise Agreement's term. The "Guarantor Monetary Threshold" means the minimum amount of total assets less total liabilities (excluding Hotel assets and liabilities relating solely to the Hotel), each as calculated according to U.S. generally accepted accounting principles, and the minimum amount of liquid assets (consisting of cash, cash equivalents and marketable securities), that at least one guarantor (whether an individual or an entity) must maintain at all times during the Franchise Agreement's term. We will determine the amount of the Guarantor Monetary Threshold as of the Franchise Agreement's effective date based on information we deem relevant, including the Hotel's size, the market in which the Hotel will operate, and our assessment of our risk or exposure in the transaction. We will list the initial Guarantor Monetary Threshold in Exhibit B to the

Franchise Agreement before we and you sign it. The Guarantor Monetary Threshold will increase automatically each year of the Franchise Agreement's term, without notice from us, effective on the first day of the calendar month during which the Franchise Agreement's effective date falls, by an amount equal to the CPI Increase. The "CPI Increase" means the amount to be adjusted multiplied by a fraction, the numerator of which is the Consumer Price Index for All Urban Consumers for All Items, which the U.S. Department of Labor, Bureau of Labor Statistics publishes (the "Base Index") as of the first day of the calendar month during which the increase is to take effect, and the denominator of which is the Base Index in effect on the Franchise Agreement's effective date or used for the most recent increase (whichever is later). If the Base Index is no longer published, we may designate another reasonably comparable index for calculating changes in the cost of living or purchasing power for consumers. Your guarantors must provide us on an annual basis financial statements or other documents that we reasonably specify, which you or the guarantor certify in the manner we specify, demonstrating that at least one guarantor satisfies the Guarantor Monetary Threshold. You and your guarantors must reasonably cooperate with all auditing and reporting requirements relating to the Guarantor Monetary Threshold.

A "Controlling Ownership Interest" in you or one of your owners (if that owner is a legal entity) means, whether directly or indirectly, either: (a) the record or beneficial ownership of, or right to control, 50% or more of the investment capital, equity, rights to receive profits or losses, or other rights to participate in your or the entity's results; or (b) the effective control of the power to direct or cause the direction of your or that entity's management and policies, including a general partnership interest (if the entity is a partnership) and a manager or managing member interest (if the entity is a limited liability company), or the power to appoint or remove any party having these powers. In addition, in the case of (a) or (b), the determination of whether a "Controlling Ownership Interest" exists is made both immediately before and immediately after a proposed transfer.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Under the Franchise Agreement, you must offer all products and provide all services that we periodically authorize for your Hotel (including F&B Operations and Spa Operations, if applicable) in compliance with all applicable laws and according to our quality standards. We may change these products and services at any time, and there is no limit on this right. You may not sell any products or perform any services at the Hotel that we have not authorized. You also must obtain our approval of your relationship with any F&B Operator, including the restaurant concept and the lease terms. The Franchise Agreement contains no restrictions on the customers to whom you may provide goods and services.

If the Hotel is or will be part of a mixed-use site that is owned or developed by you, your owners or affiliates ("Mixed-Use Site"), which include in addition to the Hotel any residential, retail, restaurant, commercial or public space that operates separate from the Hotel ("Non-Hotel Components"), no part or portion of the Mixed-Use Site may be used to operate: (i) a pawnshop, check-cashing business, gentlemen's club, pornography retailer, or other sexually-oriented

business, or (ii) a package liquor store, marijuana dispensary, or gambling business, without our prior written consent, which consent may be granted or withheld in our sole judgment, or (iii) a bar, lounge, club or similar establishment situated within 300 feet of any part of the Hotel’s interior footprint, whose revenues are derived more than 50% from the sale of alcoholic beverages, without our prior written consent, which consent will not be withheld unless we reasonably determine that the establishment might have a material negative impact on guests of the Hotel.

You will establish the Hotel’s room rates, if those rates and your pricing policies comply with System Standards (to the maximum extent the law allows). You must comply with our “best price guarantee” and related policies, as we periodically modify them. You may not charge any guest a rate higher than the rate that the reservations center specifies to the guest at the time the guest makes the reservation. You may not change the number of guest rooms in the Hotel without our consent.

Item 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in franchise or other agreement	Summary
a. Length of the franchise term	1.2 and 10.2 of Franchise Agreement; 2 of Confidentiality Agreement; 1 of Service Agreement for Revenue Optimization Services; 10 of Hosting Services Agreement; 1 of Field Marketing Program Opt-In Agreement	Franchise Agreement’s term expires 20 years after Hotel’s opening date. If you acquire an existing Hyatt Regency Hotel from a franchisee, the term will be the remaining term on the selling franchisee’s agreement. Term extends for period during which Hotel is closed for casualty. Confidentiality Agreement’s obligations continue for 5 years or indefinitely for trade secrets. Service Agreement for Revenue Optimization Services’ terms expire upon the Franchise Agreement’s termination or expiration. Hosting Services Agreement expires when our affiliate’s PMS license terminates or Hotel no longer operates under a Hyatt brand. Field Marketing Program Opt-In Agreement terminates if the Franchise Agreement expires or is terminated and Hotel no longer operates under a Hyatt brand.

Provision	Section in franchise or other agreement	Summary
b. Renewal or extension of the term	13.1 of Franchise Agreement	If you have substantially complied with Franchise Agreement during term, are then fully complying, meet our then current standards for new franchisees, have received passing quality assurance scores during previous 3 years, and have rights to maintain possession of Hotel for at least 10 years, you may acquire successor franchise for 10 years on then current terms (which may be materially different).
c. Requirements for franchisee to renew or extend	13.1, 13.2 and 13.3 of Franchise Agreement	Under Franchise Agreement, you must renovate, remodel or expand Hotel and FF&E; give us notice; sign then current form of agreement (which may be materially different) and ancillary documents; pay PIP fee; and sign general releases (if state law allows). “Renewal” means signing our then current franchise agreement for the 10-year successor franchise term, which could contain materially different terms (including fees).
d. Termination by franchisee	1 of Service Agreement for Revenue Optimization Services ;10b of Hosting Services Agreement; 1.a and 1.c of Field Marketing Program Opt-In Agreement	You may not terminate the Franchise Agreement or Confidentiality Agreement except as the law allows. You may terminate the Service Agreement for Revenue Optimization Services with or without cause by providing 90 days’ written notice to us, unless we require you to sign the agreement in connection with signing the Franchise Agreement, in which case you may not terminate without cause during the first 2 years or other period we specify. You may terminate the Hosting Services Agreement upon our material breach if not cured within 30 days’ following receipt of notice, and may terminate the Hosting Services Agreement without cause on 6 months’ notice. You may terminate the Field Marketing Program Opt-In Agreement upon our material breach if not cured within 10 days following receipt of notice, and may terminate the Field Marketing Program Opt-In Agreement without cause on 90 days’ notice but, if we required you to sign a Field Marketing Program Opt-In Agreement as a condition to entering into a Franchise Agreement with you, you may not terminate

Provision	Section in franchise or other agreement	Summary
		the Field Marketing Program Opt-In Agreement during the first 2 years of the Field Marketing Program Opt-In Agreement's term.
e. Termination by franchisor without cause	1 of Service Agreement for Revenue Optimization Services; 10a of Hosting Services Agreement; 1.a of Field Marketing Program Opt-In Agreement	We may not terminate the Franchise Agreement without cause. We may terminate Revenue Optimization Services by providing 90 days' written notice to you. We may terminate the Hosting Services Agreement for any reason upon 30 days' written notice to you. We may terminate the Field Marketing Program Opt-In Agreement for any reason upon 90 days' written notice to you.
f. Termination by franchisor with cause	15.1 and 15.2 of Franchise Agreement; 1 of Service Agreement for Revenue Optimization Services; 6c of Hosting Services Agreement; 1.c of Field Marketing Program Opt-In Agreement	We may terminate the Franchise Agreement only if you, your guarantors, or your owners commit any one of several violations. We may terminate Service Agreement for Revenue Optimization Services if you breach your obligations under that Agreement. We may terminate the Hosting Services Agreement upon your material breach if not cured within 30 days' following receipt of notice. We may terminate the Field Marketing Program Opt-In Agreement upon your material breach if not cured within 10 days following receipt of notice.
g. "Cause" defined – curable defaults	15.1 and 15.3 of Franchise Agreement; 1c and 10a of Hosting Services Agreement	Under Franchise Agreement you have 24 hours to shut down if we determine there is serious threat or danger to public health or safety; 10 days to cure failures to send us evidence of insurance and failures to pay amounts owed to us or our affiliates; 30 days to cure failures to pay taxes, develop Hotel according to deadlines, pay Providers, and comply with related agreements (unless related agreement has shorter cure period) and other defaults not listed in (h) below; and 60 days to cure failure to ensure that at least one guarantor satisfies the Guarantor Monetary Threshold. Upon your default (and after any applicable cure period), we also may suspend your rights to use CRS/GDS/ADS and advertising materials, remove Hotel from advertising publications and programs, and/or the Hotel System

Provision	Section in franchise or other agreement	Summary
		Website, suspend or terminate fee reductions, and/or refuse to provide support. Under Hosting Services Agreement, if any payment is 45 days late, or if you misuse the PMS or related services or upon government authority request, we may suspend services.
h. “Cause” defined – non-curable defaults	15.2 of Franchise Agreement	Bankruptcy-related events, failing to discharge judgments exceeding \$100,000, you stop operating Hotel or identifying Hotel with Proprietary Marks or lose possession, you or affiliate contests ownership of or tries to register our intellectual property, unauthorized transfer, conviction of felony, committing action or other offense likely to reflect adversely on us or the Proprietary Marks, knowingly maintaining false books or submitting false reports, unauthorized use or disclosure of Confidential Information, violation of law (including trade restriction laws), and repeated defaults.
i. Franchisee’s obligations on termination/non-renewal	16 of Franchise Agreement; 7 and 10 of Service Agreement for Revenue Optimization Services; 10d of Hosting Services Agreement; 1 of Field Marketing Program Opt-In Agreement	Return confidential materials, de-identify Hotel, stop uses of Hotel System with F&B Operations and Spa Operations, change telephone listing, stop references to association with us, stop using the Hotel website and the domain name, cancel assumed name registrations, allow inspections, pay amounts owed, allow us to contact customers, pay liquidated damages and stop using services.
j. Assignment of contract by franchisor	12.9 of Franchise Agreement; 13 of Hosting Services Agreement; 12 of Field Marketing Program Opt-In Agreement	We may transfer and change ownership or form without restriction. We have no further obligations after transfer.
k. “Transfer” by franchisee – defined	12.2 of Franchise Agreement	Includes transfer of any interest in Franchise Agreement, the Hotel or substantially all of its assets, or you or your owners.

Provision	Section in franchise or other agreement	Summary
1. Franchisor approval of transfer by franchisee	12.2 to 12.5 of Franchise Agreement; 12 of Hosting Services Agreement; 13 of Field Marketing Program Opt-In Agreement	No transfers of Franchise Agreement, the Hosting Services Agreement, the Field Marketing Program Opt-In Agreement, the Hotel or its assets, or Controlling Ownership Interests without our approval. However, you may mortgage hotel to lender and your owners may transfer ownership interests for estate planning purposes. Your owners may transfer non-Controlling Ownership Interests without our approval if transferee and its owners (other than a small interest public owner) are not Brand Owners or sanctioned persons, you remain in compliance with laws, the transfer does not through one or a series of transactions transfer or create a Controlling Ownership Interest, and you notify us within 30 days after transfer.
m. Conditions for franchisor approval of transfer	12.4 and 12.7 of Franchise Agreement; 8(e) of Confidentiality Agreement; 14 of Service Agreement for Revenue Optimization Services	Under Franchise Agreement, transferee and owners qualify, you pay transfer fee and other amounts owed and have complied with Franchise Agreement, transferee's personnel complete training, at our option, either transferee and owners sign then current franchise agreement and related documents (which may be materially different), or the agreements and related documents that we specify under which you assume all of your rights and obligations under the Franchise Agreement, you and your guarantors sign termination and release (if state law allows), transferee agrees to renovate, remodel or expand Hotel and FF&E, we determine capital structure, debt service and overall financial status after transfer will not adversely affect Hotel's operation, you remain liable, and you stop associating with us. Neither you nor your Controlling Owner may conduct a public offering. We may review and comment on offering materials for private offerings. Confidentiality Agreement is not transferable. Service Agreement for Revenue Optimization Services is transferable only with simultaneous transfer of Franchise Agreement.

Provision	Section in franchise or other agreement	Summary
n. Franchisor's right of first refusal to acquire franchisee's business	Section 1.5 and Exhibit D of Franchise Agreement	We only have right of first offer on transfers of the Hotel or a Controlling Ownership Interest in you if we and you sign Exhibit D. We will require Exhibit D only for certain markets that we determine are strategic to us.
o. Franchisor's option to purchase franchisee's business	Not applicable	Not applicable.
p. Death or disability of franchisee	12.6 of Franchise Agreement	Upon death or incompetence of owner of a Controlling Ownership Interest in you or your controlling owner, representative must transfer to approved transferee within 6 months
q. Non-competition covenants during the term of the franchise	4.2 and 4.11 of Franchise Agreement	No covenant not to compete, but neither you nor Hotel management company may be a Brand Owner.
r. Non-competition covenants after the franchise is terminated or expires	Not applicable	Not applicable.
s. Modification of the agreement	18.5 of Franchise Agreement; 12 of Service Agreement for Revenue Optimization Services; 16 of Hosting Services Agreement; 15 of Field Marketing Program Opt-In Agreement	Only writing signed by duly-authorized officers may modify agreement, but we may change Hotel System, System Standards, and System Services.
t. Integration/merger clause	18.5 of Franchise Agreement; 8(f) of Confidentiality Agreement; 12 of Service Agreement for Revenue Optimization Services ;16 of Hosting Services Agreement; 14 of Field Marketing Program Opt-In Agreement	Only terms of Franchise Agreement, Confidentiality Agreement and Service Agreement for Revenue Optimization Services are binding (subject to state law). Any representations or promises made outside of the disclosure document and those agreements may not be enforceable.

Provision	Section in franchise or other agreement	Summary
u. Dispute resolution by arbitration or mediation	14.1 of Franchise Agreement; 12 of Service Agreement for Revenue Optimization Services; 16 of Hosting Services Agreement; 11 of Field Marketing Program Opt-In Agreement	We and you must arbitrate all disputes at a location the arbitrator chooses within 10 miles of our then current principal business address (currently Chicago, Illinois).
v. Choice of forum	14.3 of Franchise Agreement; 12 of Service Agreement for Revenue Optimization Services; 16 of Hosting Services Agreement; 11 of Field Marketing Program Opt-In Agreement	Subject to arbitration obligation and state law, litigation generally must be in our home state (currently Illinois).
w. Choice of law	14.2 of Franchise Agreement; 8C of Confidentiality Agreement; 12 of Service Agreement for Revenue Optimization Services; 16 of Hosting Services Agreement; 11 of Field Marketing Program Opt-In Agreement	Except for Federal Arbitration Act and other federal law, and subject to state law, Illinois law applies.

Item 18

PUBLIC FIGURES

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

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

(2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location under particular circumstances.

This Item 19 presents financial performance representations (“FPRs”) for certain Hyatt Regency Hotels during each of 2021, 2020 and 2019. All of the information for each year relates to the results for January 1 through December 31 of that year. We have not made permanent, material changes to our concept as a result of the COVID-19 pandemic.

As of December 31, 2021, there were 103 Hyatt Regency Hotels operating in North America, which we define in this Item 19 as the U.S. and Canada. 84 of these Hyatt Regency Hotels (the “2021 Hotels”) operated during all of 2021 while the other 3 opened during 2021. 34 of the 2021 Hotels are the 2021 Franchised Hotels (defined below) and the remaining 50 are the 2021 Owned/Managed Hotels (defined below). No Hyatt Regency Hotel was excluded from the group of 2021 Hotels because it closed during 2021. We excluded 16 Hyatt Regency Hotels from the group of 2021 Hotels because we classify these hotels as resort hotels, which are generally located in resort destinations, include resort amenities that are not typical of non-resort Hyatt Regency Hotels, and which generally have higher rates and revenue than non-resort Hyatt Regency Hotels. As of December 31, 2020, there were 105 Hyatt Regency Hotels operating in North America. 87 of these Hyatt Regency Hotels (the “2020 Hotels”) operated during all of 2020 while the other 2 opened during 2020. 37 of the 2020 Hotels are the 2020 Franchised Hotels and the remaining 50 are the 2020 Owned/Managed Hotels. No Hyatt Regency Hotel was excluded from the group of 2020 Hotels because it closed during 2020. We excluded 16 Hyatt Regency Hotels from the group of 2020 Hotels because we classify these hotels as resort hotels, which are generally located in resort destinations, include resort amenities that are not typical of non-resort Hyatt Regency Hotels, and which generally have higher rates and revenue than non-resort Hyatt Regency Hotels. As of December 31, 2019, there were 101 Hyatt Regency Hotels operating in North America. 84 of these Hyatt Regency Hotels (the “2019 Hotels”) operated during all of 2019 while the other 1 opened during 2019. 34 of the 2019 Hotels are the 2019 Franchised Hotels and the remaining 50 are the 2019 Owned/Managed Hotels. No Hyatt Regency Hotel was excluded from the group of 2019 Hotels because it closed during 2019. We excluded 16 Hyatt Regency Hotels from the group of 2019 Hotels because we classify these hotels as resort hotels, which are generally located in resort destinations, include resort amenities that are not typical of non-resort Hyatt Regency Hotels, and which generally have higher rates and revenue than non-resort Hyatt Regency Hotels.

We classify the hotels as Franchised Hotels and Owned/Managed Hotels. “Franchised Hotels” are the Hyatt Regency Hotels that franchisees own and operate. Some of these hotels might be joint ventures in which our affiliate owns less than 50% of the ownership interest. “Owned/Managed Hotels” are the Hyatt Regency Hotels in which our affiliate owns at least a 50% interest or that our affiliate manages for a third party. The results of operations for Owned/Managed Hotels that we manage for third parties are not materially different from the results of operations of other similarly situated Owned/Managed Hotels.

The Hyatt Regency Hotels that this Item 19 covers are similar in size and services offered to the Hyatt Regency Hotels that we expect franchisees will develop. They operate in a mix of urban and suburban sites and throughout North America, and are generally not concentrated in specific regions or markets. As of December 31, 2021, the 2021 Hotels had operated under the

“Hyatt Regency” name for an average of 28.4 years. As of December 31, 2020, the 2020 Hotels had operated under the “Hyatt Regency” name for an average of 27.64 years. As of December 31, 2019, the 2019 Hotels had operated under the “Hyatt Regency” name for an average of 27.1 years. Some of these hotels converted from another brand and system to the “Hyatt Regency” name and therefore had an existing marketing and customer base before converting to the “Hyatt Regency” name. The average number of rooms at the 2021 Hotels is 535.5 with 2,032 as the highest room count and 182 as the lowest room count. For the 2020 Hotels, the average number of rooms is 541.5 with 2,032 as the highest room count and 182 as the lowest room count. For the 2019 Hotels, the average number of rooms is 530 with 2,032 as the highest room count and 182 as the lowest room count.

First FPR: Hyatt Statistics for Occupancy Rate, ADR and RevPAR

	2019 AOR	2020 AOR	2021 AOR	2019 ADR	2020 ADR	2021 ADR	2019 RevPAR	2020 RevPAR	2021 RevPAR
Franchised Hotels	71.3%	30.0%	44.0%	\$143.64	\$120.61	\$131.65	\$102.35	\$36.22	\$56.74
Owned/Managed Hotels	74.4%	27.2%	42.9%	\$190.18	\$158.60	\$158.73	\$141.51	\$43.08	\$68.35
All Hotels	73.6%	28.0%	43.3%	\$178.03	\$146.32	\$147.77	\$130.96	\$41.01	\$63.65

Second FPR: Market Share/Smith Travel Indices

	2019 Avg Occupancy Index	2020 Avg Occupancy Index	2021 Avg Occupancy Index	2019 Avg Rate Index	2020 Avg Rate Index	2021 Avg Rate Index	2019 Avg RevPAR Index	2020 Avg RevPAR Index	2021 Avg RevPAR Index
Franchised Hotels	102.8	99.3	100.8	97.2	96.7	96.7	100	96	97.4
Owned/Managed Hotels	104.1	100.6	102.2	101.3	102.9	101.2	105.5	103.6	103.4
All Hotels	103.6	100	101.6	99.6	100.3	99.4	103.2	100.3	101

Third FPR: Reservation Channel Contribution

	2019 Avg WOH Contrib %	2020 Avg WOH Contrib %	2021 Avg WOH Contrib %
Franchised Hotels	61.9%	64.7%	64.0%
Owned/Managed Hotels	51.8%	70.9%	67.0%
All Hotels	53.9%	70.4%	66.0%

Fourth FPR: World of Hyatt Program Contribution

	2019 Avg WOH Revenue Contrib %	2020 Avg WOH Revenue Contrib %	2021 Avg WOH Revenue Contrib %	2019 Avg WOH Occupancy Contrib %	2020 Avg WOH Occupancy Contrib %	2021 Avg WOH Occupancy Contrib %	2019 Avg WOH Room Nights	2020 Avg WOH Room Nights	2021 Avg WOH Room Nights
Franchised Hotels	38.7%	37.5%	36.3%	40.7%	34.3%	34.3%	37,349	12,382	19,483
Owned/Managed Hotels	37.5%	33.8%	42.9%	44.9%	38.2%	42.6%	79,220	21,226	39,642
All Hotels	37.7%	34.6%	41.4%	43.8%	36.9%	40.2%	62,273	17,465	31,482

Notes to First FPR:

(1) “Occupancy Rate” is the total number of room nights sold for a hotel during the year divided by the total number of available room nights for that hotel during that year. To calculate the average Occupancy Rate or “AOR” for all hotels (or a subgroup of hotels), we divided the total number of room nights sold for all hotels (or that subgroup) by the total number of available room nights for those hotels.

(a) 15 (or 44.1%) of the 2019 Franchised Hotels exceeded the 2019 AOR for 2019 Franchised Hotels, with 95.6% as the highest AOR, 44.7% as the lowest AOR, and 70.5% as the median AOR for the 2019 Franchised Hotels. 26 (or 52%) of the 2019 Owned/Managed Hotels exceeded the 2019 AOR for 2019 Owned/Managed Hotels, with 94.3% as the highest AOR, 57.8% as the lowest AOR, and 74.8% as the median AOR for the 2019 Owned/Managed Hotels. 41 (or 48.8%) of the 2019 Hotels exceeded the 2019 AOR for all 2019 Hotels, with 95.6% as the highest AOR, 44.7% as the lowest AOR, and 73.1% as the median AOR for all 2019 Hotels.

(b) 18 (or 48.6%) of the 2020 Franchised Hotels exceeded the 2020 AOR for 2020 Franchised Hotels, with 50.3% as the highest AOR, 16.6% as the lowest AOR, and 29.0% as the median AOR for the 2020 Franchised Hotels. 30 (or 60%) of the 2020 Owned/Managed Hotels exceeded the 2020 AOR for 2020 Owned/Managed Hotels, with 59.3% as the highest AOR, 11.5% as the lowest AOR, and 28.1% as the median AOR for the 2020 Owned/Managed Hotels. 47 (or 54%) of the 2020 Hotels exceeded the 2020 AOR for all 2020 Hotels, with 59.3% as the highest AOR, 11.5% as the lowest AOR, and 28.7% as the median AOR for all 2020 Hotels.

(c) 17 (or 50%) of the 2021 Franchised Hotels exceeded the 2021 AOR for 2021 Franchised Hotels, with 78.4% as the highest AOR, 6.6% as the lowest AOR, and 45.5% as the median AOR for the 2021 Franchised Hotels. 23 (or 46%) of the 2021 Owned/Managed Hotels exceeded the 2021 AOR for 2021 Owned/Managed Hotels, with 83.2% as the highest AOR, 17.5% as the lowest AOR, and 40.4% as the median AOR for the 2021 Owned/Managed Hotels. 42 (or 50%) of the 2021 Hotels exceeded the 2021 AOR for all 2021 Hotels, with 83.2% as the highest AOR, 6.6% as the lowest AOR, and 43% as the median AOR for all 2021 Hotels.

(2) “Average Daily Rate” or “ADR” is the Gross Rooms Revenue for a hotel during the year divided by the total number of room nights sold for that hotel during that year. To calculate the Average Daily Rate for all hotels (or a subgroup of hotels), we divided the aggregate Gross Rooms Revenue for the hotels (or that subgroup) by the total number of room nights sold for those hotels.

(a) 15 (or 44.1%) of the 2019 Franchised Hotels exceeded the 2019 ADR for 2019 Franchised Hotels, with \$225.33 as the highest ADR, \$80.97 as the lowest ADR, and \$140.12 as the median ADR for the 2019 Franchised Hotels. 22 (or 44%) of the 2019 Owned/Managed Hotels exceeded the 2019 ADR for 2019 Owned/Managed Hotels, with \$322.08 as the highest ADR, \$115.47 as the lowest ADR, and \$187.09 as the median ADR for the 2019 Owned/Managed Hotels. 32 (or 38.1%) of the 2019 Hotels exceeded the 2019 ADR for all 2019 Hotels, with \$322.08 as the highest ADR, \$80.97 as the lowest ADR, and \$163.60 as the median ADR for all 2019 Hotels.

(b) 17 (or 45.9%) of the 2020 Franchised Hotels exceeded the 2020 ADR for 2020 Franchised Hotels, with \$168.67 as the highest ADR, \$79.73 as the lowest ADR, and \$114.84 as the median ADR for the 2020 Franchised Hotels. 21 (or 42%) of the 2020 Owned/Managed Hotels exceeded the 2020 ADR for 2020 Owned/Managed Hotels, with \$297.86 as the highest ADR, \$94.90 as the lowest ADR, and \$153.71 as the median ADR for the 2020 Owned/Managed Hotels. 37 (or 42.5%) of the 2020 Hotels exceeded the 2020 ADR for all 2020 Hotels, with \$297.86 as the highest ADR, \$79.73 as the lowest ADR, and \$139.01 as the median ADR for all 2020 Hotels.

(c) 17 (or 50%) of the 2021 Franchised Hotels exceeded the 2021 ADR for 2021 Franchised Hotels, with \$174.37 as the highest ADR, \$81.40 as the lowest ADR, and \$131.57 as the median ADR for the 2021 Franchised Hotels. 23 (or 46%) of the 2021 Owned/Managed Hotels exceeded the 2021 ADR for 2021 Owned/Managed Hotels, with \$287.86 as the highest ADR, \$102.01 as the lowest ADR, and \$155.36 as the median ADR for the 2021 Owned/Managed Hotels. 43 (or 84%) of the 2021 Hotels exceeded the 2021 ADR for all 2021 Hotels, with \$287.86 as the highest ADR, \$81.40 as the lowest ADR, and \$149.51 as the median ADR for all 2021 Hotels.

(3) “RevPAR,” or revenue per available room, is the Gross Rooms Revenue for a hotel during the year divided by the total number of available room nights for that hotel during the year. To calculate the RevPAR for all hotels (or a subgroup of hotels), we divided the aggregate Gross Rooms Revenue for the hotels (or that subgroup) by the total number of available room nights for those hotels.

(a) 14 (or 41.2%) of the 2019 Franchised Hotels exceeded the 2019 RevPAR for 2019 Franchised Hotels, with \$176.76 as the highest RevPAR, \$52.62 as the lowest RevPAR, and \$93.25 as the median RevPAR for the 2019 Franchised Hotels. 22 (or 44%) of the 2019 Owned/Managed Hotels exceeded the 2019 RevPAR for 2019 Owned/Managed Hotels, with \$286.59 as the highest RevPAR, \$72.09 as the lowest RevPAR, and \$139.35 as the median RevPAR for the 2019 Owned/Managed Hotels. 37 (or 44%) of the 2019 Hotels exceeded the 2019 RevPAR for all 2019 Hotels, with \$286.59

as the highest RevPAR, \$52.62 as the lowest RevPAR, and \$116.69 as the median RevPAR for all 2019 Hotels.

(b) 17 (or 45.9%) of the 2020 Franchised Hotels exceeded the 2020 RevPAR for 2020 Franchised Hotels, with \$69.04 as the highest RevPAR, \$14.35 as the lowest RevPAR, and \$32.99 as the median RevPAR for the 2020 Franchised Hotels. 28 (or 56%) of the 2020 Owned/Managed Hotels exceeded the 2020 RevPAR for 2020 Owned/Managed Hotels, with \$123.33 as the highest RevPAR, \$15.88 as the lowest RevPAR, and \$45.35 as the median RevPAR for the 2020 Owned/Managed Hotels. 40 (or 46%) of the 2020 Hotels exceeded the 2020 RevPAR for all 2020 Hotels, with \$123.33 as the highest RevPAR, \$14.35 as the lowest RevPAR, and \$38.06 as the median RevPAR for all 2020 Hotels.

(c) 14 (or 41.2%) of the 2021 Franchised Hotels exceeded the 2021 RevPAR for 2021 Franchised Hotels, with \$108.02 as the highest RevPAR, \$9.24 as the lowest RevPAR, and \$52.66 as the median RevPAR for the 2021 Franchised Hotels. 22 (or 44%) of the 2021 Owned/Managed Hotels exceeded the 2021 RevPAR for 2021 Owned/Managed Hotels, with \$154.30 as the highest RevPAR, \$24.14 as the lowest RevPAR, and \$56.51 as the median RevPAR for the 2021 Owned/Managed Hotels. 34 (or 40.5%) of the 2021 Hotels exceeded the 2021 RevPAR for all 2021 Hotels, with \$154.30 as the highest RevPAR, \$9.24 as the lowest RevPAR, and \$54.23 as the median RevPAR for all 2021 Hotels.

Notes to Second FPR:

(1) Smith Travel Research, Inc. (“Smith Travel”) is an independent research company that compiles and analyzes data in the lodging and travel industries. Most major hotels, including Hyatt Regency Hotels, report information to Smith Travel that it uses in its analysis and reporting. First, Smith Travel determines a hotel’s market area using Metropolitan Statistical Areas (“MSAs”), a group of MSAs or a group of counties. Then Smith Travel and the reporting hotel determine the competitive set for each reporting hotel based on a number of competitive characteristics, including room count, services and amenities offered, and pricing. Smith Travel then attempts to ensure some variation among the brands included in the competitive set. Smith Travel excludes from the competitive set some hotels that do not report information, and in some cases excludes hotels (some of which are Hyatt Regency Hotels) that do report information. While Smith Travel does not fully explain the reasons for its decision to exclude reporting hotels, typically Smith Travel will exclude hotels that are open less than one full year, hotels that do not have at least 3 other hotels in the competitive set in the market area, market areas where a single brand exceeds 40% of the competitive set, and market areas where a single hotel company’s hotels comprise more than 60% of the competitive set. Among the data that Smith Travel reports are indices that represent a particular hotel’s performance relative to its competitive set. These indices reflect Smith Travel’s calculation of the “fair share” of the particular metric that each hotel captures relative to the competitive set. An index of 100 means a hotel is capturing a fair share compared to the competitive set. An index greater than 100 represents more than a fair share of the competitive set’s performance, and an index below 100 reflects less than a fair share of the competitive set’s performance. In calculating its indices, Smith Travel uses a portfolio weighting

system to adjust the particular hotel's number of available rooms to the competitive set's number of available rooms. Smith Travel compiled the information on the hotels that we use for the second FPR.

(2) "Occupancy Index," "Rate Index" and "RevPAR Index" for a hotel mean, respectively, the hotel's Occupancy Rate, Average Daily Rate or RevPAR (as applicable) divided by the Occupancy Rate, Average Daily Rate or RevPAR (as applicable) for all hotels in the competitive set, multiplied by 100. Smith Travel calculated the average Occupancy Index, average Rate Index and average RevPAR Index using the same methodology that we used for calculating average Occupancy Rate, Average Daily Rate, and average RevPAR that we described above. Smith Travel developed the methodologies, collected the information and calculated the indices referenced in the second FPR. We did not do so. We developed the explanations of how Smith Travel collects information and calculates indices based on publicly-available information and our conversations with Smith Travel's representatives, but we cannot confirm whether Smith Travel's information or methodology is accurate. We are relying on Smith Travel in reporting this information.

(a) 17 (or 50%) of the 2019 Franchised Hotels exceeded the 2019 Occupancy Index for 2019 Franchised Hotels, with 154.4 as the highest Occupancy Index, 56.7 as the lowest Occupancy Index, and 101.9 as the median Occupancy Index for the 2019 Franchised Hotels. 27 (or 54%) of the 2019 Owned/Managed Hotels exceeded the 2019 Occupancy Index for 2019 Owned/Managed Hotels, with 124.3 as the highest Occupancy Index, 84.2 as the lowest Occupancy Index, and 104.4 as the median Occupancy Index for the 2019 Owned/Managed Hotels. 45 (or 53.6%) of the 2019 Hotels exceeded the 2019 Occupancy Index for all 2019 Hotels, with 154.4 as the highest Occupancy Index, 56.7 as the lowest Occupancy Index, and 104.3 as the median Occupancy Index for all 2019 Hotels.

(b) 16 (or 43.2%) of the 2020 Franchised Hotels exceeded the 2020 Occupancy Index for 2020 Franchised Hotels, with 188.6 as the highest Occupancy Index, 55.3 as the lowest Occupancy Index, and 91 as the median Occupancy Index for the 2020 Franchised Hotels. 26 (or 52%) of the 2020 Owned/Managed Hotels exceeded the 2020 Occupancy Index for 2020 Owned/Managed Hotels, with 176.6 as the highest Occupancy Index, 30.9 as the lowest Occupancy Index, and 101.3 as the median Occupancy Index for the 2020 Owned/Managed Hotels. 42 (or 48.3%) of the 2020 Hotels exceeded the 2020 Occupancy Index for all 2020 Hotels, with 188.6 as the highest Occupancy Index, 30.9 as the lowest Occupancy Index, and 97.9 as the median Occupancy Index for all 2020 Hotels.

(c) 18 (or 52.9%) of the 2021 Franchised Hotels exceeded the 2021 Occupancy Index for 2021 Franchised Hotels, with 161.2 as the highest Occupancy Index, 33.8 as the lowest Occupancy Index, and 100.8 as the median Occupancy Index for the 2021 Franchised Hotels. 23 (or 46%) of the 2021 Owned/Managed Hotels exceeded the 2021 Occupancy Index for 2021 Owned/Managed Hotels, with 166.6 as the highest Occupancy Index, 64 as the lowest Occupancy Index, and 102.2 as the median Occupancy Index for the 2021 Owned/Managed Hotels. 41 (or 48.8%) of the 2021 Hotels exceeded the 2021

Occupancy Index for all 2021 Hotels, with 166.6 as the highest Occupancy Index, 33.8 as the lowest Occupancy Index, and 101.6 as the median Occupancy Index for all 2021 Hotels.

(d) 16 (or 47.1%) of the 2019 Franchised Hotels exceeded the 2019 Rate Index for 2019 Franchised Hotels, with 119.7 as the highest Rate Index, 81.7 as the lowest Rate Index, and 96.3 as the median Rate Index for the 2019 Franchised Hotels. 24 (or 48%) of the 2019 Owned/Managed Hotels exceeded the 2019 Rate Index for 2019 Owned/Managed Hotels, with 159.8 as the highest Rate Index, 74.3 as the lowest Rate Index, and 101 as the median Rate Index for the 2019 Owned/Managed Hotels. 39 (or 46.4%) of the 2019 Hotels exceeded the 2019 Rate Index for all 2019 Hotels, with 159.8 as the highest Rate Index, 74.3 as the lowest Rate Index, and 98.8 as the median Rate Index for all 2019 Hotels.

(e) 13 (or 35.1%) of the 2020 Franchised Hotels exceeded the 2020 Rate Index for 2020 Franchised Hotels, with 120 as the highest Rate Index, 78.2 as the lowest Rate Index, and 95.3 as the median Rate Index for the 2020 Franchised Hotels. 23 (or 46%) of the 2020 Owned/Managed Hotels exceeded the 2020 Rate Index for 2020 Owned/Managed Hotels, with 127.1 as the highest Rate Index, 73 as the lowest Rate Index, and 102.4 as the median Rate Index for the 2020 Owned/Managed Hotels. 42 (or 48.3%) of the 2020 Hotels exceeded the 2020 Rate Index for all 2020 Hotels, with 127.1 as the highest Rate Index, 73 as the lowest Rate Index, and 98.6 as the median Rate Index for all 2020 Hotels.

(f) 15 (or 44.1%) of the 2021 Franchised Hotels exceeded the 2021 Rate Index for 2021 Franchised Hotels, with 118.7 as the highest Rate Index, 72.9 as the lowest Rate Index, and 96.7 as the median Rate Index for the 2021 Franchised Hotels. 23 (or 46%) of the 2021 Owned/Managed Hotels exceeded the 2021 Rate Index for 2021 Owned/Managed Hotels, with 159.8 as the highest Rate Index, 75.2 as the lowest Rate Index, and 101.2 as the median Rate Index for the 2021 Owned/Managed Hotels. 42 (or 50%) of the 2021 Hotels exceeded the 2021 Rate Index for all 2021 Hotels, with 159.8 as the highest Rate Index, 72.9 as the lowest Rate Index, and 99.4 as the median Rate Index for all 2021 Hotels.

(g) 15 (or 44.1%) of the 2019 Franchised Hotels exceeded the 2019 RevPAR Index for 2019 Franchised Hotels, with 157.7 as the highest RevPAR Index, 55.3 as the lowest RevPAR Index, and 97.9 as the median RevPAR Index for the 2019 Franchised Hotels. 26 (or 52%) of the 2019 Owned/Managed Hotels exceeded the 2019 RevPAR Index for 2019 Owned/Managed Hotels, with 159.3 as the highest RevPAR Index, 75.1 as the lowest RevPAR Index, and 106.4 as the median RevPAR Index for the 2019 Owned/Managed Hotels. 40 (or 47.6%) of the 2019 Hotels exceeded the 2019 RevPAR Index for all 2019 Hotels, with 159.3 as the highest RevPAR Index, 55.3 as the lowest RevPAR Index, and 100.8 as the median RevPAR Index for all 2019 Hotels.

(h) 15 (or 40.5%) of the 2020 Franchised Hotels exceeded the 2020 RevPAR Index for 2020 Franchised Hotels, with 179.5 as the highest RevPAR Index, 52.4 as the lowest RevPAR Index, and 88.7 as the median RevPAR Index for the 2020 Franchised Hotels. 23 (or 46%) of the 2020 Owned/Managed Hotels exceeded the 2020 RevPAR Index for 2020 Owned/Managed Hotels, with 207.6 as the highest RevPAR Index, 31.1 as the lowest RevPAR Index, and 100.2 as the median RevPAR Index for the 2020

Owned/Managed Hotels. 39 (or 44.8%) of the 2020 Hotels exceeded the 2020 RevPAR Index for all 2020 Hotels, with 207.6 as the highest RevPAR Index, 31.1 as the lowest RevPAR Index, and 94.9 as the median RevPAR Index for all 2020 Hotels.

(i) 18 (or 52.9%) of the 2021 Franchised Hotels exceeded the 2021 RevPAR Index for 2021 Franchised Hotels, with 163 as the highest RevPAR Index, 31.3 as the lowest RevPAR Index, and 97.2 as the median RevPAR Index for the 2021 Franchised Hotels. 21 (or 42%) of the 2021 Owned/Managed Hotels exceeded the 2021 RevPAR Index for 2021 Owned/Managed Hotels, with 210 as the highest RevPAR Index, 54.4 as the lowest RevPAR Index, and 103.1 as the median RevPAR Index for the 2021 Owned/Managed Hotels. 36 (or 42.9%) of the 2021 Hotels exceeded the 2021 RevPAR Index for all 2021 Hotels, with 210 as the highest RevPAR Index, 31.3 as the lowest RevPAR Index, and 100.7 as the median RevPAR Index for all 2021 Hotels.

Notes to Third FPR:

(1) Hyatt Regency Hotels receive reservations from a number of different sources, including what we call the Reservation Channels. We define the “Reservation Channels” as reservations that customers book using the Hyatt toll-free telephone number, cross-booking (where guests at one Hyatt Network Hotel book a reservation at another Hyatt Network Hotel), reservations that customers book on the hyatt.com website, reservations that customers book on various third party internet sources, and reservations booked using the GDS channels. The third FPR covers the average percentage contribution to Gross Rooms Revenue that the hotels (or a subset of hotels) received from Reservation Channels during the year. To calculate these figures, we divided the total Gross Rooms Revenue resulting from reservations made by customers using all Reservation Channels for all hotels (or the subgroup of hotels) by the total Gross Rooms Revenue for all hotels (or that subgroup).

(a) 19 (or 55.9%) of the 2019 Franchised Hotels exceeded the 2019 Reservation Channel contribution for 2019 Franchised Hotels, with 82% as the highest Reservation Channel contribution, 41% as the lowest Reservation Channel contribution, and 63.7% as the median Reservation Channel contribution for the 2019 Franchised Hotels. 34 (or 68%) of the 2019 Owned/Managed Hotels exceeded the 2019 Reservation Channel contribution for 2019 Owned/Managed Hotels, with 72.9% as the highest Reservation Channel contribution, 29% as the lowest Reservation Channel contribution, and 55.9% as the median Reservation Channel contribution for the 2019 Owned/Managed Hotels. 57 (or 67.9%) of the 2019 Hotels exceeded the 2019 Reservation Channel contribution for all 2019 Hotels, with 82% as the highest Reservation Channel contribution, 29% as the lowest Reservation Channel contribution, and 60% as the median Reservation Channel contribution for all 2019 Hotels.

(b) 22 (or 59.5%) of the 2020 Franchised Hotels exceeded the 2020 Reservation Channel contribution for 2020 Franchised Hotels, with 82.2% as the highest Reservation Channel contribution, 40.3% as the lowest Reservation Channel contribution, and 65.4% as the median Reservation Channel contribution for the 2020 Franchised Hotels. 16 (or 32%) of the 2020 Owned/Managed Hotels exceeded the 2020 Reservation Channel

contribution for 2020 Owned/Managed Hotels, with 88.6% as the highest Reservation Channel contribution, 45.8% as the lowest Reservation Channel contribution, and 69.6% as the median Reservation Channel contribution for the 2020 Owned/Managed Hotels. 34 (or 39.1%) of the 2020 Hotels exceeded the 2020 Reservation Channel contribution for all 2020 Hotels, with 88.6% as the highest Reservation Channel contribution, 40.3% as the lowest Reservation Channel contribution, and 67.4% as the median Reservation Channel contribution for all 2020 Hotels.

(c) 18 (or 52.9%) of the 2021 Franchised Hotels exceeded the 2021 Reservation Channel contribution for 2021 Franchised Hotels, with 79% as the highest Reservation Channel contribution, 32% as the lowest Reservation Channel contribution, and 65% as the median Reservation Channel contribution for the 2021 Franchised Hotels. 22 (or 44%) of the 2021 Owned/Managed Hotels exceeded the 2021 Reservation Channel contribution for 2021 Owned/Managed Hotels, with 88% as the highest Reservation Channel contribution, 45% as the lowest Reservation Channel contribution, and 66% as the median Reservation Channel contribution for the 2021 Owned/Managed Hotels. 39 (or 46.4%) of the 2021 Hotels exceeded the 2021 Reservation Channel contribution for all 2021 Hotels, with 88% as the highest Reservation Channel contribution, 32% as the lowest Reservation Channel contribution, and 66% as the median Reservation Channel contribution for all 2021 Hotels.

Notes to Fourth FPR:

(1) World of Hyatt is the frequent guest loyalty program that Hyatt Corporation maintains. It covers all Hyatt Network Hotels. Under separate contractual arrangements, the master licensee for Hyatt Residence Club, our shared ownership brand, HyCard, Inc., MGM Resorts International Operations, Inc., Small Luxury Hotels of the World Limited, and American Airlines have entered into arrangements to participate in the World of Hyatt program. The fourth FPR covers the average number of reservations that hotels (or a subset of hotels) received from World of Hyatt members during the year and the average percentage and number of room nights that World of Hyatt members occupied at the hotels (or a subset of hotels) during the year.

(a) 15 (or 44.1%) of the 2019 Franchised Hotels exceeded the 2019 World of Hyatt contribution for 2019 Franchised Hotels, with 63.5% as the highest World of Hyatt contribution, 26.1% as the lowest World of Hyatt contribution, and 38.2% as the median World of Hyatt contribution for the 2019 Franchised Hotels. 25 (or 50%) of the 2019 Owned/Managed Hotels exceeded the 2019 World of Hyatt contribution for 2019 Owned/Managed Hotels, with 52.4% as the highest World of Hyatt contribution, 26.6% as the lowest World of Hyatt contribution, and 37.6% as the median World of Hyatt contribution for the 2019 Owned/Managed Hotels. 43 (or 51.2%) of the 2019 Hotels exceeded the 2019 World of Hyatt contribution for all 2019 Hotels, with 63.5% as the highest World of Hyatt contribution, 26.1% as the lowest World of Hyatt contribution, and 37.9% as the median World of Hyatt contribution for all 2019 Hotels.

(b) 17 (or 45.9%) of the 2020 Franchised Hotels exceeded the 2020 World of Hyatt contribution for 2020 Franchised Hotels, with 65.7% as the highest World of Hyatt

contribution, 21.2% as the lowest World of Hyatt contribution, and 37.2% as the median World of Hyatt contribution for the 2020 Franchised Hotels. 27 (or 54%) of the 2020 Owned/Managed Hotels exceeded the 2020 World of Hyatt contribution for 2020 Owned/Managed Hotels, with 58.6% as the highest World of Hyatt contribution, 19.6% as the lowest World of Hyatt contribution, and 35% as the median World of Hyatt contribution for the 2020 Owned/Managed Hotels. 52 (or 59.8%) of the 2020 Hotels exceeded the 2020 World of Hyatt contribution for all 2020 Hotels, with 65.7% as the highest World of Hyatt contribution, 19.6% as the lowest World of Hyatt contribution, and 36.7% as the median World of Hyatt contribution for all 2020 Hotels.

(c) 20 (or 58.8%) of the 2021 Franchised Hotels exceeded the 2021 World of Hyatt contribution for 2021 Franchised Hotels, with 58% as the highest World of Hyatt contribution, 3% as the lowest World of Hyatt contribution, and 37% as the median World of Hyatt contribution for the 2021 Franchised Hotels. 24 (or 48%) of the 2021 Owned/Managed Hotels exceeded the 2021 World of Hyatt contribution for 2021 Owned/Managed Hotels, with 80% as the highest World of Hyatt contribution, 20% as the lowest World of Hyatt contribution, and 43% as the median World of Hyatt contribution for the 2021 Owned/Managed Hotels. 39 (or 46.4%) of the 2021 Hotels exceeded the 2021 World of Hyatt contribution for all 2021 Hotels, with 80% as the highest World of Hyatt contribution, 3% as the lowest World of Hyatt contribution, and 41% as the median World of Hyatt contribution for all 2021 Hotels.

(d) 21 (or 61.8%) of the 2019 Franchised Hotels exceeded the 2019 World of Hyatt occupancy percentage for 2019 Franchised Hotels, with 65.5% as the highest World of Hyatt occupancy percentage, 25.3% as the lowest World of Hyatt occupancy percentage, and 42.6% as the median World of Hyatt occupancy percentage for the 2019 Franchised Hotels. 27 (or 54%) of the 2019 Owned/Managed Hotels exceeded the 2019 World of Hyatt occupancy percentage for 2019 Owned/Managed Hotels, with 59.7% as the highest World of Hyatt occupancy percentage, 31.5% as the lowest World of Hyatt occupancy percentage, and 45.8% as the median World of Hyatt occupancy percentage for the 2019 Owned/Managed Hotels. 44 (or 52.4%) of the 2019 Hotels exceeded the 2019 World of Hyatt occupancy percentage for all 2019 Hotels, with 65.5% as the highest World of Hyatt occupancy percentage, 25.3% as the lowest World of Hyatt occupancy percentage, and 44.5% as the median World of Hyatt occupancy percentage for all 2019 Hotels.

(e) 24 (or 64.9%) of the 2020 Franchised Hotels exceeded the 2020 World of Hyatt occupancy percentage for 2020 Franchised Hotels, with 57.1% as the highest World of Hyatt occupancy percentage, 16.4% as the lowest World of Hyatt occupancy percentage, and 37.6% as the median World of Hyatt occupancy percentage for the 2020 Franchised Hotels. 32 (or 64%) of the 2020 Owned/Managed Hotels exceeded the 2020 World of Hyatt occupancy percentage for 2020 Owned/Managed Hotels, with 55.9% as the highest World of Hyatt occupancy percentage, 22.4% as the lowest World of Hyatt occupancy percentage, and 40.8% as the median World of Hyatt occupancy percentage for the 2020 Owned/Managed Hotels. 53 (or 60.9%) of the 2020 Hotels exceeded the 2020 World of Hyatt occupancy percentage for all 2020 Hotels, with 57.1% as the highest World of Hyatt

occupancy percentage, 16.4% as the lowest World of Hyatt occupancy percentage, and 39.5% as the median World of Hyatt occupancy percentage for all 2020 Hotels.

(f) 22 (or 64.7%) of the 2021 Franchised Hotels exceeded the 2021 World of Hyatt occupancy percentage for 2021 Franchised Hotels, with 56% as the highest World of Hyatt occupancy percentage, 4% as the lowest World of Hyatt occupancy percentage, and 36% as the median World of Hyatt occupancy percentage for the 2021 Franchised Hotels. 29 (or 58%) of the 2021 Owned/Managed Hotels exceeded the 2021 World of Hyatt occupancy percentage for 2021 Owned/Managed Hotels, with 78% as the highest World of Hyatt occupancy percentage, 15% as the lowest World of Hyatt occupancy percentage, and 45% as the median World of Hyatt occupancy percentage for the 2021 Owned/Managed Hotels. 48 (or 57.1%) of the 2021 Hotels exceeded the 2021 World of Hyatt occupancy percentage for all 2021 Hotels, with 78% as the highest World of Hyatt occupancy percentage, 4% as the lowest World of Hyatt occupancy percentage, and 41% as the median World of Hyatt occupancy percentage for all 2021 Hotels.

(g) 15 (or 44.1%) of the 2019 Franchised Hotels exceeded the 2019 World of Hyatt average room nights for 2019 Franchised Hotels, with 61,829 as the highest World of Hyatt average room nights, 21,443 as the lowest World of Hyatt average room nights, and 36,541 as the median World of Hyatt average room nights for the 2019 Franchised Hotels. 20 (or 40%) of the 2019 Owned/Managed Hotels exceeded the 2019 World of Hyatt average room nights for 2019 Owned/Managed Hotels, with 229,131 as the highest World of Hyatt average room nights, 21,482 as the lowest World of Hyatt average room nights, and 70,660 as the median World of Hyatt average room nights for the 2019 Owned/Managed Hotels. 31 (or 36.9%) of the 2019 Hotels exceeded the 2019 World of Hyatt average room nights for all 2019 Hotels, with 229,131 as the highest World of Hyatt average room nights, 21,443 as the lowest World of Hyatt average room nights, and 48,411 as the median World of Hyatt average room nights for all 2019 Hotels.

(h) 17 (or 45.9%) of the 2020 Franchised Hotels exceeded the 2020 World of Hyatt average room nights for 2020 Franchised Hotels, with 27,270 as the highest World of Hyatt average room nights, 5,217 as the lowest World of Hyatt average room nights, and 12,166 as the median World of Hyatt average room nights for the 2020 Franchised Hotels. 25 (or 50%) of the 2020 Owned/Managed Hotels exceeded the 2020 World of Hyatt average room nights for 2020 Owned/Managed Hotels, with 73,521 as the highest World of Hyatt average room nights, 7,108 as the lowest World of Hyatt average room nights, and 21,263 as the median World of Hyatt average room nights for the 2020 Owned/Managed Hotels. 35 (or 40.2%) of the 2020 Hotels exceeded the 2020 World of Hyatt average room nights for all 2020 Hotels, with 73,251 as the highest World of Hyatt average room nights, 5,217 as the lowest World of Hyatt average room nights, and 15,227 as the median World of Hyatt average room nights for all 2020 Hotels.

(i) 17 (or 50%) of the 2021 Franchised Hotels exceeded the 2021 World of Hyatt average room nights for 2021 Franchised Hotels, with 36,533 as the highest World of Hyatt average room nights, 795 as the lowest World of Hyatt average room nights, and 20,108 as the median World of Hyatt average room nights for the 2021 Franchised Hotels.

24 (or 48%) of the 2021 Owned/Managed Hotels exceeded the 2021 World of Hyatt average room nights for 2021 Owned/Managed Hotels, with 85,296 as the highest World of Hyatt average room nights, 8,573 as the lowest World of Hyatt average room nights, and 35,607 as the median World of Hyatt average room nights for the 2021 Owned/Managed Hotels. 34 (or 40.5%) of the 2021 Hotels exceeded the 2021 World of Hyatt average room nights for all 2021 Hotels, with 85,296 as the highest World of Hyatt average room nights, 795 as the lowest World of Hyatt average room nights, and 26,217 as the median World of Hyatt average room nights for all 2021 Hotels.

General Notes to All FPRs:

(1) “Gross Rooms Revenue” will be determined in accordance with the Uniform System of Accounts for the Lodging Industry, Eleventh Edition, as published by the Educational Institute of the American Hotel and Motel Association, 2014, or a later edition that we approve.

(2) Prospective franchisees and sellers of franchises should be advised that no certified public accountant has audited any of the figures in these financial performance representations nor expressed his or her opinion concerning their contents or form. We will provide written substantiation for all of these financial performance representations upon your reasonable request. Except for the Smith Travel figures, we derived these figures based on our and our affiliates’ internal unaudited financial information, and no third party has independently investigated the figures.

(3) The figures contained in these financial performance representations do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the revenue figures to obtain net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating a Hyatt Regency Hotel. Franchisees or former franchisees, listed in this disclosure document, may be one source of this information.

(4) Your results will depend on many factors, including the size, age and condition of your Hotel; the services and amenities your Hotel offers; the quality of the service at the Hotel; the market for lodging in your Hotel’s area, including whether the Hotel is near an airport, vacation destination, central business district or other features that attract travelers; general economic conditions; relationships with other businesses near the Hotel; competition; seasonality and weather; pricing; and your sales and marketing effectiveness. These and other factors will significantly impact the results that a Hyatt Regency Hotel can expect to achieve.

Some hotels have sold or earned this amount. Your individual results may differ. There is no assurance that you’ll sell or earn as much.

Other than the preceding financial performance representations, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Jim Chu, Executive Vice President - Global

Franchising and Development, at 150 North Riverside Plaza, Chicago, Illinois 60606, (312) 750-1234, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20

OUTLETS AND FRANCHISEE INFORMATION

All numbers appearing in the tables below are as of December 31 in each year. In Item 20 we include both Hyatt Regency Hotels that our affiliates own and operate, and Hyatt Regency Hotels that our affiliates manage for third-party owners under management agreements, as “company-owned” Hyatt Regency Hotels. We count Hyatt Regency Hotels in which our affiliates have at least a 50% equity interest in the hotel’s ownership entity as “company-owned” hotels that our affiliates own and operate for purposes of the tables (regardless of the type of agreement governing the hotel’s operation). Our affiliates owned and operated 12 Hyatt Regency Hotels as of December 31, 2019, 12 Hyatt Regency Hotels as of December 31, 2020, and 12 Hyatt Regency Hotels as of December 31, 2021. Our affiliates manage the remaining “company-owned” Hyatt Regency Hotels for third-party owners.

Table No. 1

**Systemwide Outlet Summary
For years 2019 to 2021**

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2019	35	36	+1
	2020	36	38	+2
	2021	38	39	+1
Company- Owned	2019	61	61	0
	2020	61	61	0
	2021	61	61	0
Total Outlets	2019	96	97	+1
	2020	97	99	+2
	2021	99	100	+1

Table No. 2

**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2019 to 2021**

Column 1 State	Column 2 Year	Column 3 Number of Transfers
California	2019	0
	2020	0
	2021	1
Colorado	2019	0
	2020	0
	2021	1
Minnesota	2019	0
	2020	0
	2021	1
New York	2019	0
	2020	0
	2021	1
Texas	2019	1
	2020	0
	2021	0
Total	2019	1
	2020	0
	2021	4

Note: Franchisees sometimes restructure their organizations and assign franchise agreements from one company to another within the same ownership group. We do not consider these restructuring transactions to be “transfers” because the ultimate ownership and control group does not change.

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

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Alabama	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
California	2019	6	0	0	0	0	0	6
	2020	6	1	0	0	0	0	7
	2021	7	0	0	0	0	0	7
Colorado	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
Florida	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Georgia	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
Illinois	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
Indiana	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Iowa	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Kansas	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Kentucky	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
Maryland	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Massachusetts	2019	0	1	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Minnesota	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
New Jersey	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
New Mexico	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
New York	2019	2	0	0	0	0	0	2
	2020	2	1	0	0	0	0	3
	2021	3	1	0	0	0	0	4
Ohio	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Oklahoma	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Pennsylvania	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
South Carolina	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Texas	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	1	1	0	0	0	3
Virginia	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	1	0	0	0	1
Wisconsin	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Totals	2019	35	1	0	0	0	0	36
	2020	36	2	0	0	0	0	38
	2021	38	3	2	0	0	0	39

Table No. 4**Status of Company-Owned Outlets
For years 2019 to 2021**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
Arizona	2019	2	0	0	0	0	2
	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
California	2019	11	0	0	0	0	11
	2020	11	0	0	0	0	11
	2021	11	0	0	0	0	11
Colorado	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Connecticut	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
District of Columbia	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Florida	2019	8	0	0	0	0	8
	2020	8	0	0	0	0	8
	2021	8	0	0	0	0	8
Georgia	2019	2	0	0	0	0	2
	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
Hawaii	2019	2	0	0	0	0	2
	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
Illinois	2019	3	0	0	0	0	3
	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
Louisiana	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Maryland	2019	2	0	0	0	0	2
	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
Massachusetts	2019	3	0	0	0	1	2
	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
Minnesota	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Missouri	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Nevada	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
New Jersey	2019	3	0	0	0	0	3
	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
New Mexico	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
New York	2019	1	0	0	0	0	1
	2020	1	0	0	0	1	0
	2021	0	0	0	0	0	0
Ohio	2019	2	0	0	0	0	2
	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
Oregon	2019	0	1	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Texas	2019	7	0	0	0	0	7
	2020	7	1	0	0	0	8
	2021	8	0	0	0	0	8
Virginia	2019	3	0	0	0	0	3
	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
Washington	2019	3	0	0	0	0	3
	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
Wisconsin	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Totals	2019	61	1	0	0	1	61
	2020	61	1	0	0	1	61
	2021	61	0	0	0	0	61

Table No. 5

Projected Openings As Of December 31, 2021

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlet In The Next Fiscal Year	Column 4 Projected New Company-Owned Outlet In the Next Fiscal Year
Nevada	1	0	0
Utah	0	0	1
Total	1	0	1

Exhibit H is a list of Hyatt Regency Hotel franchisees as of December 31, 2021 and the addresses and telephone numbers of each of their outlets. Exhibit I lists the Hyatt Regency franchisees who had an outlet terminated, canceled, transferred or not renewed or otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement during our most recent fiscal year. No franchisee has failed to communicate with us within 10 weeks before this disclosure document's issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

As of the issuance date of this disclosure document, no franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system during our last 3 fiscal years, and there are no trademark-specific franchisee organizations associated with the Hyatt Regency Hotel franchise system.

Item 21

FINANCIAL STATEMENTS

Exhibit A contains our audited balance sheets as of December 31, 2021, 2020 and 2019, and the related statements of operations, changes in member's equity, and cash flows for the years ended December 31, 2021, 2020 and 2019.

Item 22

CONTRACTS

The following agreements are attached as exhibits to this disclosure document:

Exhibit B	Franchise Application
Exhibit C	Franchise Agreement
Exhibit G	Confidentiality Agreement
Exhibit J	Comfort Letter
Exhibit K	Hosting Services Agreement
Exhibit L	Field Marketing Program Opt-In Agreement
Exhibit M	Service Agreement for Revenue Optimization Services
Exhibit N	State-Specific Riders to agreements, including form of release used upon renewal or transfer

Item 23

RECEIPTS

Our and your copies of the Franchise Disclosure Document Receipt are the last 2 pages of this disclosure document.

EXHIBIT A
FINANCIAL STATEMENTS

Hyatt Franchising, L.L.C.

Financial Statements as of and for the Years Ended December 31, 2021, 2020, and 2019 and Independent Auditor's Report

HYATT FRANCHISING, L.L.C.
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INDEPENDENT AUDITOR'S REPORT

To Hyatt Franchising, L.L.C.:

Opinion

We have audited the financial statements of Hyatt Franchising, L.L.C. (the "Company"), which comprise the balance sheets as of December 31, 2021, 2020, and 2019, and the related statements of operations, changes in member's equity, and cash flows for the years then ended, and the related notes to the financial statements (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, 2021, 2020, and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- 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.

Other Matter

The accompanying financial statements have been prepared from the separate records maintained by the Company and may not necessarily be indicative of the conditions that would have existed or the results of operations if the Company had not been operated as a subsidiary of Hyatt Hotels Corporation (the "Member"). Certain expenses represent charges from the Member or its affiliates.

Deloitte & Touche LLP

March 28, 2022

HYATT FRANCHISING, L.L.C.
BALANCE SHEETS
As of December 31, 2021, 2020, and 2019

	<u>2021</u>	<u>2020</u>	<u>2019</u>
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 5,205,194	\$ 4,403,051	\$ 4,383,907
Receivables, net of allowances of \$1,302,177, \$91,994, and \$— at December 31, 2021, 2020, and 2019, respectively	6,241,579	3,369,994	4,022,630
Total current assets	11,446,773	7,773,045	8,406,537
Financing receivables	18,250,010	16,607,022	15,104,986
Franchise agreement assets constituting payments to customers	96,050,942	47,503,375	45,929,013
Franchise agreement intangibles, net	7,744,406	—	—
Deferred tax assets	2,057,325	2,643,511	3,465,783
TOTAL ASSETS	<u>\$ 135,549,456</u>	<u>\$ 74,526,953</u>	<u>\$ 72,906,319</u>
LIABILITIES AND MEMBER'S EQUITY			
CURRENT LIABILITIES:			
Accounts payable and accrued expenses	\$ 275,040	\$ 4,289	\$ 26,402
Current contract liabilities	298,909	247,358	237,365
Total current liabilities	573,949	251,647	263,767
Long-term contract liabilities	7,229,947	6,915,547	6,711,261
Other long-term liabilities	2,400,000	1,200,000	—
Total liabilities	10,203,896	8,367,194	6,975,028
Commitments and contingencies (Note 2)			
MEMBER'S EQUITY	<u>125,345,560</u>	<u>66,159,759</u>	<u>65,931,291</u>
TOTAL LIABILITIES AND MEMBER'S EQUITY	<u>\$ 135,549,456</u>	<u>\$ 74,526,953</u>	<u>\$ 72,906,319</u>

See accompanying Notes to financial statements.

HYATT FRANCHISING, L.L.C.
STATEMENTS OF OPERATIONS
For the years ended December 31, 2021, 2020, and 2019

	2021	2020	2019
REVENUES:			
Franchise and other fees	\$ 29,595,055	\$ 13,889,283	\$ 43,174,899
Amortization of franchise agreement assets constituting payments to customers	(3,780,643)	(2,973,158)	(2,833,662)
Net franchise and other fees	25,814,412	10,916,125	40,341,237
COSTS AND EXPENSES:			
Selling, general, and administrative	3,310,860	1,843,736	2,387,335
Amortization of franchise agreement intangibles	496,498	—	—
Asset impairment	574,545	—	—
Total costs and expenses	4,381,903	1,843,736	2,387,335
Interest income	2,347,838	2,160,721	217,144
Other income	90,699	—	—
INCOME BEFORE INCOME TAXES	23,871,046	11,233,110	38,171,046
PROVISION FOR INCOME TAXES	(6,337,243)	(3,030,321)	(9,859,470)
NET INCOME	\$ 17,533,803	\$ 8,202,789	\$ 28,311,576

See accompanying Notes to financial statements.

HYATT FRANCHISING, L.L.C.
STATEMENTS OF CHANGES IN MEMBER'S EQUITY
For the years ended December 31, 2021, 2020, and 2019

BALANCE—January 1, 2019	\$ 49,774,667
Net income	28,311,576
Non-cash deemed distribution to Member and affiliate	<u>(12,154,952)</u>
BALANCE—December 31, 2019	65,931,291
Net income	8,202,789
Non-cash deemed distribution to Member and affiliate	<u>(7,974,321)</u>
BALANCE—December 31, 2020	66,159,759
Net income	17,533,803
Non-cash deemed contribution from Member and affiliate	<u>41,651,998</u>
BALANCE—December 31, 2021	<u><u>\$ 125,345,560</u></u>

See accompanying Notes to financial statements.

HYATT FRANCHISING, L.L.C.
STATEMENTS OF CASH FLOWS

For the years ended December 31, 2021, 2020, and 2019

	2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	\$ 17,533,803	\$ 8,202,789	\$ 28,311,576
Adjustments to reconcile net income to net cash provided by operating activities:			
Amortization of franchise agreement assets constituting payments to customers	3,780,643	2,973,158	2,833,662
Amortization of franchise agreement intangibles	496,498	—	—
Amortization of deferred franchise application fees	(576,549)	(315,022)	(444,838)
Asset impairments	574,545	—	—
Deferred income taxes	586,186	822,272	755,251
Non-cash transfers (to) from Member and affiliate, net	41,651,998	(7,974,321)	(12,154,952)
Payments to customers relating to franchise agreement assets	(52,590,000)	(4,547,520)	(2,034,480)
Non-cash contributions of franchise agreement intangibles from Member	(8,815,449)	—	—
Other	536,790	—	—
Increase (decrease) in cash attributable to changes in assets and liabilities:			
Receivables, net	(4,514,573)	(849,400)	(1,101,660)
Accounts payable and accrued expenses	20,751	(22,113)	(2,293,493)
Contract liabilities	917,500	529,301	1,191,705
Other long-term liabilities	1,200,000	1,200,000	—
Net cash provided by operating activities	802,143	19,144	15,062,771
CASH FLOWS FROM INVESTING ACTIVITIES:			
Issuance of financing receivables	—	—	(15,000,000)
Net cash used in investing activities	—	—	(15,000,000)
NET CHANGE IN CASH AND CASH EQUIVALENTS	802,143	19,144	62,771
CASH AND CASH EQUIVALENTS—BEGINNING OF YEAR	4,403,051	4,383,907	4,321,136
CASH AND CASH EQUIVALENTS—END OF YEAR	<u>\$ 5,205,194</u>	<u>\$ 4,403,051</u>	<u>\$ 4,383,907</u>

See accompanying Notes to financial statements.

HYATT FRANCHISING, L.L.C.
NOTES TO FINANCIAL STATEMENTS

As of and for the Years Ended December 31, 2021, 2020, and 2019

1. PURPOSE AND ORGANIZATION

Hyatt Franchising, L.L.C. (the "Company" or "we" or "our") was originally incorporated on April 5, 1993, for the purpose of licensing a group of full service franchised hotels, pursuant to trademark and proprietary information license agreements between the Company and Hyatt Corporation. The Company commenced franchising operations in December 1994. On October 30, 2009, Hyatt Corporation assigned its sole membership interest in the Company to Hyatt Hotels Corporation (the "Member"), the parent of Hyatt Corporation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation—The financial statements were prepared in conformity with accounting principles generally accepted in the United States of America.

Impact of the COVID-19 Pandemic—The COVID-19 pandemic and related travel restrictions and containment efforts have had a significant impact on the travel industry and as a result, on the Company's business. The impact began in the first quarter of 2020 and has continued throughout the year ended December 31, 2021. As a result, the financial results for 2021, and for the foreseeable future, are not comparable to past performance or indicative of long-term future performance.

Use of Estimates—The Company is required to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying Notes. The estimates and assumptions are subject to inherent risk and uncertainty, which include the ongoing impact of the COVID-19 pandemic, and actual results could differ materially from the estimated amounts.

Reclassifications—Certain prior year amounts have been reclassified to conform to the current year presentation.

Revenue Recognition—Franchise fees consist of an initial fee and ongoing royalty fees computed as a percentage of gross room revenues and as applicable, food and beverage revenues. The royalty fees received for access to the Hyatt brand names are payable on a monthly basis as the third-party hotel owners derive value from Hyatt's intellectual property. These fees represent variable consideration and are recognized in franchise and other fees over time as services are rendered.

The initial fees received under the franchise agreement do not represent a distinct performance obligation, and therefore, are combined with the royalty fees and deferred and recognized through franchise and other fees over the expected customer life, which is typically the initial term of the franchise agreement. Total franchise and other fees revenues include the recognition of \$576,549, \$315,022, and \$444,838 of initial fees for the years ended December 31, 2021, 2020, and 2019, respectively. Initial fees were received in advance of performance under the contract and, accordingly, the unrecognized revenues of \$7,528,856, \$7,162,905, and \$6,948,626 are recorded as contract liabilities as of December 31, 2021, 2020, and 2019, respectively.

Termination fees are recognized at the point in time a franchise agreement is terminated prior to the end of the full term and are included in franchise and other fees. Total franchise and other fees revenues include \$1,365,886, \$0, and \$1,000,000 of termination fees for the years ended December 31, 2021, 2020, and 2019, respectively.

Cash Equivalents—The Company considers all highly liquid investments purchased with an original maturity of three months or less at the date of purchase to be cash equivalents. Cash and cash equivalents include \$5,092,710, \$4,290,567, and \$4,271,389 invested in interest-bearing money market funds at December 31, 2021, 2020, and 2019, respectively, which are carried at fair value based on unadjusted quoted prices in active markets for identical assets. The funds are held with open-ended registered investment companies. The fair values are classified as Level One in the fair value hierarchy as the Company is able to obtain market available pricing information on an ongoing basis.

Accounts Receivable—Accounts receivable primarily consists of trade receivables due from hotel owners with whom the Company has franchise agreements for services rendered. The Company assesses all accounts receivable for credit losses quarterly and establishes a reserve to reflect the net amount expected to be collected. The allowance for credit losses is based on an assessment of historical collection activity, the nature of the receivable, and the current business environment. The allowance for credit losses is recognized in selling, general, and administrative expenses.

Financing Receivables—Financing receivables represent contractual rights to receive money either on demand or on fixed or determinable dates and are recorded on the balance sheet at amortized cost, net of expected credit losses. The Company recognizes interest as earned and includes accrued interest in the amortized cost basis of the asset.

Financing receivables are composed of an individual unsecured loan provided to a hotel owner with a stated maturity and interest rate. The amortized cost of financing receivables approximates fair value. The fair value, which is classified as Level Three in the fair value hierarchy, is estimated using discounted future cash flow models. The principal inputs used are projected future cash flows and the discount rate, which is generally the effective interest rate of the loan.

In conjunction with the issuance of the aforementioned financing receivables, the hotel owner is required to pay deposits of \$100,000 per month up to a maximum of \$3,600,000, which is refundable if certain conditions are met. As of December 31, 2021, the Company has received \$2,400,000, which is classified as other long-term liabilities.

The Company individually assesses financing receivables for credit losses quarterly and establishes a reserve to reflect the net amount expected to be collected. The Company estimates credit losses based on an analysis of several factors, including current economic conditions, industry trends, and specific risk characteristics of the financing receivable, including capital structure, loan performance, and market factors.

The Company evaluates accrued interest allowances separately from the financing receivable assets. On an ongoing basis, the Company monitors the credit quality of our financing receivables based on historical and expected future payment activity. The Company determines financing to hotel owners to be nonperforming if interest or principal is greater than 90 days past due based on the contractual terms of the individual financing receivables or if an allowance has been established for other financing arrangements with that borrower. If the Company considers a financing receivable to be nonperforming, the financing receivable is placed on nonaccrual status.

For financing receivables on nonaccrual status, the Company recognizes interest income in interest income when cash is received. Accrual of interest income is resumed and potential reversal of any associated allowance for credit loss occurs when the receivable becomes contractually current and collection doubts are removed.

After an allowance for credit losses has been established, the Company may determine the receivable balance is uncollectible when all commercially reasonable means of recovering the receivable balance have been exhausted. The Company writes off uncollectible balances by reversing the financing receivable and the related allowance for credit losses.

For the years ended December 31, 2021, 2020, and 2019, the Company had no allowances recognized on financing receivables. As of December 31, 2021, 2020, and 2019, no financing receivables were on nonaccrual status.

Franchise Agreement Assets Constituting Payments to Customers—Consideration provided to customers is recorded in franchise agreement assets constituting payments to customers and amortized over the expected customer life, which is typically the initial term of the franchise agreement. This amortization is recognized as contra revenue within franchise and other fees.

The Company assesses franchise agreement assets constituting payments to customers for recoverability upon contract inception and when events or circumstances indicate that the carrying value might not be recoverable.

Franchise agreement intangibles—Franchise agreement intangibles are recorded at the acquisition-date fair value, less accumulated amortization. Amortization is recognized over the estimated useful lives of the assets using the straight-line method. For franchise agreement intangibles recognized upon conversion of a management agreement to a franchise agreement, the useful lives will represent the remaining term of the original agreement, ranging from 7 to 10 years.

The Company assesses franchise agreement intangibles for impairment quarterly, and when events or circumstances indicate the carrying amount may not be recoverable, the Company evaluates the net book value of the assets by comparing to the projected undiscounted future cash flows of the assets. If the projected undiscounted future cash flows are less than the net book value of the assets, the fair value is determined based upon internally developed discounted cash flows of the assets. The excess of the net book value over the estimated fair value is recognized in asset impairments.

Selling, General, and Administrative Expenses—The cost of certain corporate functions performed, incurred, or paid by the Member or its affiliates, on behalf of the Company, is charged to the Company. Included in selling, general, and administrative expenses are charges from the Member or its affiliates, allowances for credit losses, and professional fees.

Commitments and Contingencies—At December 31, 2021, the Company is committed, under certain conditions, to provide certain consideration to various business ventures up to \$37,050,000.

Income Taxes—Income taxes are computed using the separate return method. The Company accounts for income taxes to recognize the amount of taxes payable or refundable for the current year and the amount of deferred tax assets and liabilities resulting from the future tax consequences of differences between the financial statements and tax basis of the respective assets and liabilities. The Company recognizes the financial statement effect of a tax position when, based on the technical merits of the

uncertain tax position, it is more likely than not to be sustained on a review by taxing authorities. These estimates are based on judgments made with currently available information. The Company reviews these estimates and makes changes to recorded amounts of uncertain tax positions as facts and circumstances warrant.

Customer Concentrations—The Company's top five customers represented 25%, 26%, and 24% of its franchise and other fees revenues, excluding initial fee and termination fee revenues, for the years ended December 31, 2021, 2020, and 2019, respectively.

Subsequent Events—The Company has evaluated subsequent events through March 28, 2022, the date the financial statements were available to be issued, and noted no significant events to be disclosed.

3. INCOME TAXES

Provision for income taxes for the years ended December 31, 2021, 2020, and 2019 was comprised of the following:

	2021	2020	2019
Current:			
Federal	\$ 4,461,206	\$ 1,634,632	\$ 6,933,450
State	1,289,851	573,417	2,170,769
Total current	5,751,057	2,208,049	9,104,219
Deferred:			
Federal	395,698	645,563	493,792
State	190,488	176,709	261,459
Total deferred	586,186	822,272	755,251
Total	\$ 6,337,243	\$ 3,030,321	\$ 9,859,470

The effective income tax rates for the years ended December 31, 2021, 2020, and 2019 were 26.55%, 26.98%, and 25.83%, respectively. For the years ended December 31, 2021, 2020, and 2019, the effective income tax rate is higher than the U.S. statutory corporate income tax rate of 21% primarily due to the effects of state taxes on earnings.

Temporary differences that give rise to the net deferred tax assets result primarily from differences in the financial and tax reporting of amortization of franchise agreement assets constituting payments to customers and contract liabilities. For the year ended December 31, 2021, the change in deferred tax assets of \$586,186 is largely due to the amortization of franchise agreement assets constituting payments to customers.

The Company is party to a tax-sharing agreement, which provides that, among other things, the Company shall not be entitled to any reimbursement for utilization of its tax attributes in the consolidated federal income tax return of the Member. The Company is required to pay the Member any tax liability that arises from its operations, computed on a separate return basis. The income tax payable as of December 31, 2021, 2020, and 2019 is \$5,523,990, \$2,167,708, and \$8,783,115, respectively. In 2021, 2020, and 2019, this balance was recorded in Member's equity and included in net deemed transfer (to) from Member and affiliate (see Note 5).

U.S. tax years 2009 through 2011 are before the U.S. Tax Court. A trial date has been scheduled for April 2022. During the year ended December 31, 2021, we received a Notice of Proposed Adjustment for tax years 2015 through 2017. As a result, U.S. tax years 2009 through 2017 are pending the outcome of the issue currently in U.S. Tax Court. Resolution of issues from these years will be treated in accordance with the tax-sharing agreement.

We have several state audits pending. State income tax returns are generally subject to examination for a period of three to five years after filing of the return. However, the state impact of any federal changes remain subject to examination by various states for a period generally up to one year after formal notification to the states of the federal changes.

4. FRANCHISE AGREEMENT INTANGIBLES

During the year ended December 31, 2021, the Company recognized \$8,815,449 of franchise agreement intangibles related to third-party hotel owners previously operating under management agreements with the Member at the inception of the intangible assets that have subsequently converted to franchise agreements with the Company.

	Weighted- average useful lives in years	2021	2020	2019
Franchise agreement intangibles	9 years	\$ 8,175,071	\$ —	\$ —
Accumulated amortization		(430,665)	—	—
Total franchise agreement intangibles, net		\$ 7,744,406	\$ —	\$ —

The Company estimates amortization expense as follows:

	Years Ending December 31,					
	2022	2023	2024	2025	2026	Thereafter
Franchise agreement intangibles	\$ 893,661	\$ 893,661	\$ 893,661	\$ 893,661	\$ 893,661	\$ 3,276,102

During the year ended December 31, 2021, the Company recognized \$574,545 of impairment charges related to franchise agreements intangibles resulting from a contract termination. During the years ended December 31, 2020, and 2019, the Company did not recognize any impairment charges related to franchise agreement intangibles.

5. OTHER TRANSACTIONS

Pursuant to typical franchise agreements, franchisees are required to purchase certain sales, reservations, technology, marketing, and other services from affiliates of the Company, including the Member. Billings for these services to franchisees from the Company's affiliates or Member are not included in the financial results of the Company. Additionally, franchisees receive payments or incur billings related to the loyalty program, which are also not included in the financial results of the Company. The franchisees are also responsible for the out-of-pocket expenses incurred in relation to the services provided above. Franchisees also have the option, but not the obligation, to purchase other products and services that the Member or affiliates of the Company may provide to owned, leased, and managed hotels from time to time. Additionally, the Company advances cash to the Member to invest on its behalf.

The Member or its affiliates pay for operating expenses on the Company's behalf. The Company determined that there was no intent on settling related-party transactions with the Member or its affiliates.

EXHIBIT B
FRANCHISE APPLICATION

Hyatt Regency Hotels

To: Hyatt Franchising, L.L.C.
 150 North Riverside Plaza
 Chicago, Illinois 60606

This Franchise Application (“Application”) is submitted to Hyatt Franchising, L.L.C. (“Franchisor”) by the undersigned applicant, and its officers, directors, and shareholders as applicable (“Applicant”) to induce Franchisor to grant a franchise to Applicant or an entity owned and controlled by Applicant (in either case, “Franchisee” or “Franchisee Entity”), on the terms and conditions set forth in Franchisor’s standard Franchise Agreement, for a proposed Hyatt Regency Hotel at the address or location listed below (the “Hotel”).

HOTEL SITE

Name and address of the intended site of the Hotel (the “Site”) If no address exists, state the nearest intersection or other information regarding the Site	Click here to enter text.
Will the Site be leased or owned by Franchisee?	Click here to enter text.
If Site will be owned, but the sale has yet taken place, state name and relationship of the seller to Applicant and Franchisee Entity (parent, affiliated party, third party, etc.) and the expected closing date of the sale.	Click here to enter text.
If Site will be leased, state name and relationship of the lessor to Applicant and Franchisee Entity (parent, affiliated party, third party, etc.). (NOTE: leases must be for at least the term of the franchise agreement)	Click here to enter text.

APPLICANT

Legal Name	Click here to enter text.	
Any Previous Name[s] used in the Past Five Year	Click here to enter text.	
Address	Click here to enter text.	
Telephone	Click here to enter text.	
Applicant is:	<input type="checkbox"/> corporation	<input type="checkbox"/> partnership
	<input type="checkbox"/> limited liability company	<input type="checkbox"/> other Click here to enter text.
Jurisdiction of organization	Click here to enter text.	
Name and address of person with whom contact is to be made	Click here to enter text.	
Telephone	Click here to enter text.	
Email	Click here to enter text.	

APPLICANT'S EXPERIENCE

Has Applicant (or any other parent or affiliated entity of the intended Franchisee Entity) conducted business (whether or not in the lodging industry) for at least five (5) years? yes no

Does Applicant (or any other parent or affiliated entity of the intended Franchisee Entity) have a net worth of at least six million one hundred sixty-five thousand five hundred dollars (\$6,165,500)? yes no

FRANCHISEE ENTITY (IF DIFFERENT THAN APPLICANT & IF KNOWN)

Legal Name	Click here to enter text.
Any Previous Name[s] used in the Past Five Year	Click here to enter text.
Address	Click here to enter text.
Telephone	Click here to enter text.

Franchisee Entity is:	<input type="checkbox"/> corporation	<input type="checkbox"/> partnership
	<input type="checkbox"/> limited liability company	<input type="checkbox"/> other Click here to enter text.
Jurisdiction of organization	Click here to enter text.	

GUARANTOR

(The Franchise Agreement must be guaranteed by an individual or entity other than the Franchisee Entity, meeting Franchisor's net worth requirements as described in Franchisor's Franchise Disclosure Document (FDD) and/or the term sheet, if any)

Legal Name	Click here to enter text.	
Any Previous Name[s] used in the Past Five Year	Click here to enter text.	
Address	Click here to enter text.	
Telephone	Click here to enter text.	
Guarantor is:	<input type="checkbox"/> individual(s)	<input type="checkbox"/> limited liability company
	<input type="checkbox"/> corporation	<input type="checkbox"/> partnership
	<input type="checkbox"/> other Click here to enter text.	
Jurisdiction of organization (if applicable)	Click here to enter text.	
Name and address of person with whom contact is to be made	Click here to enter text.	
Telephone	Click here to enter text.	
Email	Click here to enter text.	
List any properties, other than the Hotel, that the guarantor has an ownership interest in or for which the guarantor guarantees obligations under a franchise agreement or management agreement.	Click here to enter text.	

GUARANTOR FINANCIAL STATEMENTS

Check the above box to indicate that you have uploaded current financial statements (including balance sheet and profit and loss or income statement) for each Guarantor. If Guarantor is a partnership, corporation, or limited liability company, the statements should be submitted for the partnership, corporation or limited liability company, and for each partner, stockholder, or member.

GOVERNING DOCUMENTS

Please attach any relevant corporate formation and governance documents and operating agreements relating to the Applicant and the Franchisee Entity. Franchisor may require you to submit these documents for Guarantor and any other entities within the ownership structure for the Hotel, at a later time.

FINANCING

Applicant intends to finance the Hotel in the following manner; please provide detailed capital stack:

Click here to enter text.

PUBLIC FACILITIES

Describe any public facilities that will be located within the same building as the proposed hotel (e.g. brand unaffiliated restaurant, lounge, health club, expanded meeting space, structure parking):

Click here to enter text.

PROJECTED TIMELINE

Projected construction start date	Click here to enter text.
Projected hotel opening date	Click here to enter text.

CREDIT INFORMATION

Has Applicant, Franchisee, Guarantor, or any partner, shareholder, member, officer, or director of any of them ever been adjudged bankrupt? yes no

If yes, state name of court, case number, and date when adjudication was made:

Click here to enter text.

OWNERSHIP STRUCTURE

STRUCTURE CHART

Check the above box to indicate that you have uploaded an ownership structure chart showing the names of all shareholders/members (including the legal form—e.g., individual, corporation, partnership, etc.), the percent interest held, and the relationship to the Applicant and Franchisee. This chart should include, for each entity included, shareholders with a controlling equity interest or controlling stake in the company, including those who own their interest in the Franchisee Entity indirectly through other entities, up to the individuals who have the ultimate ownership. For the avoidance of doubt, ultimate beneficial owners include, e.g., the true owners behind "nominee" shareholders of legal entities. You may omit shareholders of publicly-traded companies, unless they own 10% or more of the publicly-traded company. You may also omit shareholders of entities that are passive investment vehicles, unless they own 10% or more of the investment entity or exercise operational control over the entity. Note that an Excel spreadsheet or other list of shareholdings will not satisfy the requirement to provide a structure chart.

SHAREHOLDERS/MEMBERS OF APPLICANT

COMPLETE A SEPARATE ROW WITHIN "TABLE A" BELOW FOR EACH SHAREHOLDER OR MEMBER IDENTIFIED IN APPLICANT'S OWNERSHIP STRUCTURE CHART THAT IS AN INDIVIDUAL.

TABLE A

INDIVIDUAL SHAREHOLDER/MEMBERS OF APPLICANT AND FRANCHISEE				
SHAREHOLDER/MEMBER NAME	DATE OF BIRTH	COUNTRY OF RESIDENCE [AND NATIONALITY, IF DIFFERENT]	GOVERNMENT OFFICIAL [Y/N]	TITLE AND EMPLOYER

COMPLETE A SEPARATE "TABLE B" FOR EACH SHAREHOLDER OR MEMBER IDENTIFIED IN APPLICANT'S OWNERSHIP STRUCTURE CHART THAT IS AN ENTITY.

TABLE B

LIST OF SHAREHOLDERS/MEMBERS OF APPLICANT THAT ARE ENTITIES					
If Applicant maintains an official list of shareholders, or is required to file such a list with the government, provide a copy of that list in addition to filling out these tables.					
SHAREHOLDER/ MEMBER NAME	ADDRESS OF PRINCIPAL PLACE OF BUSINESS	JURISDICTION OF FORMATION [IF KNOWN]	PUBLIC COMPANY [Y/N]	GOVERNMENT ENTITY [Y/N]	CONTROLLING SHAREHOLDER/ MANAGING MEMBER [Y/N] & WHICH ENTITY CONTROLLED

LIST OF DIRECTORS AND OFFICERS FOR THE ENTITY SHAREHOLDERS/MEMBERS LISTED ABOVE				
DIRECTOR NAME & TITLE	DATE OF BIRTH	COUNTRY OF RESIDENCE [AND NATIONALITY, IF DIFFERENT]	GOVERNMENT OFFICIAL [Y/N]	TITLE AND EMPLOYER
OFFICER NAME & TITLE	DATE OF BIRTH	COUNTRY OF RESIDENCE [AND NATIONALITY, IF DIFFERENT]	GOVERNMENT OFFICIAL [Y/N]	TITLE AND EMPLOYER
Chief Executive Officer or Equivalent: Name:				
Chief Financial Officer or Equivalent: Name:				
Responsible Person [if not identified above] Name:				
Person with day-to-day operational responsibility for the Hotel [if not identified above] Name:				

If the Applicant maintains an official list of shareholders, or is required to file such a list with the government, provide a copy of that list if different from the structure chart.

PAYMENT INSTRUCTIONS

Please send the application fee via wire transfer according to the wiring instructions below. If you are unable to pay the application fee via wire transfer, please send a check to the business address listed below and include the property/project name in the memo field.

Wire Transfer Information:		Check Payment Information:
Account Number:	87652-61131	Hyatt Corporation
Swift Code:	BOFAUS3N	16417 Collections Center Drive
Bank Address:	New York, New York	Chicago, Illinois 60693
Account Name:	Hyatt Corporation	
Bank Routing Number:	026009593	
Bank Name:	Bank of America	
You must indicate property/project name in memo field regardless of whether payment is by wire transfer or check.		

REPRESENTATIONS AND WARRANTIES

Applicant and Franchisee represent and warrant that the information and materials contained in this Application (including the documents submitted with this Application to Hyatt before the date of this Application or later supplemented to this Application), are or will be true, complete and current. Franchisor shall not be deemed to have knowledge of any facts not contained in this Application or in the attached documents.

Included with this Application is the application fee in the amount of \$100,000 or \$400 for each guest room in the proposed hotel, whichever is greater. Applicant hereby expressly acknowledges that acceptance and deposit of the application fee by Franchisor does not, in any respect, bind or obligate Franchisor to enter into a Franchise Agreement granting Applicant a franchise. This Application is neither an offer of a franchise by Franchisor nor a contract for the acquisition of a franchise or any other rights to operate a Hyatt Regency Hotel. Applicant further acknowledges that the research, investigation, review and approval process and similar administrative functions of Franchisor constitute the sole and only consideration for the application fee submitted herewith. If Applicant withdraws this Application before Franchisor approves it, or if Franchisor does not approve this Application for any reason, Franchisor will refund Applicant's application fee less a \$10,000 fee to cover Franchisor's costs associated with evaluating this Application; however, after Franchisor approves this Application, Applicant's application fee is not refundable, even if Franchisor and Applicant do not sign a Franchise Agreement.

Applicant, Franchisee and any partner, stockholder, member, officer or director further represents and warrants that:

- a) Applicant and its controlling shareholders have not been involved in an investigation by a court or government agency regarding a potential violation of any applicable law prohibiting fraud, bribery or other corrupt activity, except as disclosed in an attachment submitted herewith;
- b) No Government Official is entitled to compensation or benefits in relation to the acquisition, development, construction or operation of the Hotel, except as disclosed in an attachment submitted herewith;

Applicant, its controlling shareholders and their officers, and directors (including any authorized agents) have complied with all applicable anti-corruption laws in connection with the acquisition, construction, development, operation and ownership of the Hotel, and the formation of the Applicant and its affiliates, if applicable;

- c) Applicant has or will have an Anti-Corruption Policy, Code of Conduct, or similar corporate compliance program regarding compliance with applicable anti-corruption laws (including bribery of Government Officials) and/or the prevention of unlawful conduct;
- d) Neither Applicant nor its affiliates are party to a binding agreement with a third party for branding of the Hotel, other than agreement that may be unilaterally terminated by Applicant or its affiliate or that will expire by prior to a franchise agreement with Hyatt taking effect; and
- e) Applicant hereby releases Hyatt, its respective officers, employees, and agents from any liability for any damage whatsoever as a result of any investigative inquiry, consumer report, or investigative consumer report necessary to confirm the information in this Application which is received by Hyatt, its representatives, and designees.

SIGNATURE PAGE

Please keep this section blank and use Hyatt's Online Portal to electronically sign the Signature Page.

APPLICANT:

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT C
FRANCHISE AGREEMENT

**HYATT REGENCY HOTEL
FRANCHISE AGREEMENT**

between

and

HYATT FRANCHISING, L.L.C.

DATED: _____, 2022

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HYATT REGENCY HOTEL FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT is made and entered into as of _____, 2022 (this “**Agreement**”) by and between _____, a _____ (“**Franchisee**”) and HYATT FRANCHISING, L.L.C., a Delaware limited liability company (“**Hyatt**”).

PRELIMINARY STATEMENT

Franchisee is the owner of, or has the right to occupy, certain real property located at the Site. Hyatt has the right to grant franchises for Hyatt Regency Hotels. Franchisee wishes to enter into this Agreement to obtain a franchise to use the Hotel System to operate a Hyatt Regency Hotel located at the Site. In addition to other terms defined in this Agreement, the initial capitalized terms shall have the meanings set forth in Exhibit A or Exhibit B.

NOW, THEREFORE, Franchisee and Hyatt agree as follows:

ARTICLE I

GRANT OF FRANCHISE, TERM AND AREA OF PROTECTION

1.1 **Grant of Franchise.** Hyatt grants Franchisee, and Franchisee accepts, the non-exclusive right and obligation to use the Hotel System during the Term (defined below in Section 1.2) to build or convert, and operate, the Hotel at the Site under the Proprietary Marks in accordance with this Agreement’s terms.

1.2 **Term.** The term of this Agreement (the “**Term**”) will commence on the Effective Date and expire without notice on the date which is twenty (20) years after the Opening Date, subject to its earlier termination as set forth in this Agreement.

1.3 **Rights in Area of Protection During AOP Term.** Subject to the one exception below, during the AOP Term, neither Hyatt nor any of its Affiliates will open and operate, nor authorize any other party to open and operate, any other Hyatt Regency Hotels the physical premises of which are located within the Area of Protection. The one exception to this restriction is that, during the AOP Term, if Hyatt or any Affiliate acquires ownership of or the right to operate or manage (regardless of the form of transaction) another group of at least four (4) hotels, one (1) or more of which hotels are located or are under contract or construction to be located in the Area of Protection, then Hyatt and/or its Affiliates will have the unrestricted right to convert, or cause to be converted, the acquired hotel(s) within the Area of Protection from its (or their) original trade identity to operate under the Proprietary Marks and the Hotel System, and thereafter to operate or authorize any other party to operate such hotel(s) as Hyatt Regency Hotels, even if one (1) or more of the other acquired hotels, whether operating within or outside the Area of Protection, are not converted to Hyatt Regency Hotels.

Franchisee’s rights in the Area of Protection apply only during the AOP Term. Following the AOP Term, Franchisee will have no territorial rights or protection whatsoever, whether within or outside the Area of Protection, and Hyatt and its Affiliates may open and operate, and authorize

any other parties to open and operate, other Hyatt Regency Hotels the physical premises of which are located within the Area of Protection, including pursuant to franchise applications submitted and/or franchise agreements and other agreements signed during the AOP Term.

1.4 **No Other Restrictions.** Except for the limited exclusivity provided in Section 1.3, Franchisee's rights under this Agreement are nonexclusive in all respects, the Hotel has no territorial protection whatsoever, and Hyatt and its Affiliates have the right without restriction to engage in any and all activities Hyatt and they desire (including with respect to any and all types of lodging facilities), at any time and place, whether or not using the Proprietary Marks or any aspect of the Hotel System, and whether or not those activities compete with the Hotel. Without limiting the foregoing, Franchisee acknowledges that Hyatt's Affiliates currently operate other franchised and non-franchised systems for lodging facilities and other accommodations and hospitality affiliations that use different brand names, trademarks, and service marks, including those with the "Hyatt" name as part of their brand name, some of which might operate and have facilities in the Area of Protection during the AOP Term, that will compete directly with Franchisee. Hyatt and its Affiliates may use or benefit from, among other things, common computer systems, administrative systems, reservation systems, purchasing systems and personnel, and may provide some or all System Services to other Hyatt Network Hotels and other hotels, lodging facilities and other businesses, even if they compete with the Hotel. Franchisee will have no right to pursue any claims, demands, or damages as a result of these activities, whether under breach of contract, unfair competition, implied covenant of good faith and fair dealing, divided loyalty, or other theories.

1.5 **Right of First Offer.** If Hyatt determines that the Site is located in a strategic market for Hyatt and its Affiliates, then simultaneously with signing this Agreement, Hyatt and Franchisee shall sign and deliver to each other the Right of First Offer attached as Exhibit C. Hyatt and Franchisee acknowledge that, unless they sign and deliver to each other the Right of First Offer, the terms of the Right of First Offer and Exhibit C shall not apply to the Hotel or Franchisee.

ARTICLE II

DEVELOPMENT AND OPENING OF THE HOTEL

2.1 **Hotel Development.** Franchisee shall develop the Hotel at the Site in accordance with the development provisions in Exhibit B. Franchisee acknowledges and agrees that the selection of the Site for the Hotel or the failure of Hyatt to object to the Site, does not constitute an assurance, representation or warranty by Hyatt of any kind, express or implied, as to the suitability (commercially or otherwise) of the Site for the Hotel or for any other purpose. Hyatt shall not be responsible for the failure of the Site approved by Hyatt to meet expectations as to revenue, income or operational criteria. Franchisee further acknowledges and agrees that approval of the Site for the Hotel is based on Franchisee's own independent investigation of the suitability of the Site.

2.2 **IT Project Management Services.**

(a) **IT Project Management Services.** Hyatt will use commercially reasonable efforts to provide the IT Project Management Services in connection with the

opening of the Hotel. Hyatt will staff the IT Project Management Services using its employees or third-party contractors, as Hyatt determines.

(b) **Franchisee Responsibilities.** Franchisee will perform, in a timely manner, the tasks identified as Franchisee's responsibilities in Exhibit E. Franchisee acknowledges that Hyatt's performance of the IT Project Management Services is dependent on Franchisee's timely, accurate, and effective performance of all Franchisee's responsibilities under Exhibit E, including providing written notice to Hyatt of Franchisee's designated representative. Franchisee further acknowledges and agrees that its failure to perform may prevent or delay Hyatt's performance of the IT Project Management Services and/or require modifications to the services performed, including an adjustment to the scope of work, completion schedule or fees.

(c) **Site Preparation.** Franchisee will be responsible for all site preparation at the Hotel in connection with the IT Project Management Services. Without limitation, Franchisee is responsible for all climate control, physical safety and security, provision of adequate electric and telecommunications utilities, and wiring for all equipment and devices. Franchisee will also provide such work space, supplies, hardware and software as are reasonably required for each assignment.

(d) **Hyatt Limited Warranty.** Hyatt warrants that the IT Project Management Services will be performed in substantial accordance with the specifications set forth in Exhibit E. If any IT Project Management Services do not comply with this warranty, Franchisee must notify Hyatt in writing within thirty (30) days after completion of the IT Project Management Services. As to any valid warranty claim, Hyatt will at its option: (i) repair the defect; (ii) re-perform the defective IT Project Management Services; or (iii) refund sums paid by Franchisee to Hyatt for the defective IT Project Management Services. Following expiration of the warranty period, Franchisee accepts the IT Project Management Services in their "AS-IS" condition. The foregoing constitutes Franchisee's sole and exclusive remedies in response to a warranty claim. Hyatt makes no representation or warranty with respect to: (1) software, equipment, or goods manufactured, developed or provided by others, including Franchisee; (2) use of the IT Project Management Services in a manner contrary to instructions from Hyatt; (3) use of the IT Project Management Services in combination with goods or IT Project Management Services not delivered by Hyatt; (4) defects caused by Franchisee; or (5) other events outside the control of Hyatt. EXCEPT AS STATED ABOVE, HYATT MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO IT PROJECT MANAGEMENT SERVICES, GOODS OR SOFTWARE DELIVERED, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, QUALITY, PERFORMANCE, INTEGRATION, SECURITY, SYSTEM UPTIME, DATA INTEGRITY, OR TITLE. HYATT MAKES NO REPRESENTATIONS OR WARRANTIES THAT SYSTEM DISRUPTIONS, SECURITY BREACHES OR IMPAIRMENTS WILL NOT OCCUR AND DISCLAIMS ALL RELATED EXPRESS AND IMPLIED WARRANTIES. HYATT SHALL NOT BE LIABLE FOR ANY LOSS OF DATA, CORRUPTION OF DATA, OR NETWORK INSECURITY.

(e) **Franchisee Limited Warranty.** Franchisee represents and warrants that (i) access by Hyatt to software licensed or controlled by Franchisee is permitted under the applicable third party license agreements; (ii) Hyatt's performance of the IT Project Management Services as requested by Franchisee will not constitute a misappropriation of any intellectual property or other proprietary or contractual rights of any third party; and (iii) Hyatt's performance of the IT Project Management Services will not result in a violation of any applicable law, regulation, rule or order.

(f) **Procurement of Third-Party Components.** All software, equipment, and other goods required for Franchisee's use in connection with its business operations will be procured directly by Franchisee from the appropriate third-party vendor. Hyatt will not be responsible for procuring any third-party deliverables for use by Franchisee unless otherwise agreed to by Hyatt in a separate writing approved by an authorized officer of Hyatt. Franchisee will comply with the terms of all underlying third-party agreements, including all third-party software license agreements. Franchisee shall also engage a third-party service provider in accordance with this Agreement to support all third-party hardware and software installed at the Hotel, and such engagement shall be in place as of the date Hyatt completes all Services.

(g) **Data Back-Up & Disaster Recovery.** Franchisee will maintain in accordance with this Agreement: (i) appropriate data back-up and storage procedures to minimize any harm occurring from loss or corruption of data whatever the cause and (ii) an appropriate disaster recovery and business continuance plan to be activated in response to a technology crisis or system downtime.

(h) **Changes in Scope, Fees.** Hyatt and Franchisee acknowledge and agree that scope of the IT Project Management Services may change between the Effective Date and the date that the IT Project Management Services are provided, as a result of modifications to the technology systems required under the Hotel System. If any such changes result in an increase to Hyatt's costs in providing the IT Project Management Services, Hyatt shall have the right to charge a reasonable additional fee in connection therewith.

2.3 **F&B Operations and Spa Operations.**

(a) **F&B Operations Plan.** Franchisee shall prepare and deliver to Hyatt for its approval the F&B Operations Plan describing Franchisee's proposal for conducting F&B Operations at the Hotel. Franchisee shall make such modifications to the F&B Operations Plan that Hyatt reasonably specifies and ensure that the Hotel and its F&B Operations operate in accordance with the approved F&B Operations Plan. Franchisee may not make any material changes to the F&B Operations Plan (including any changes to the proposed restaurant concept(s) and/or F&B Operator(s)) without Hyatt's prior written approval. Before the Hotel begins operating under the Proprietary Marks, Franchisee shall require each F&B Operator to sign such documents as Hyatt reasonably specifies to protect Hyatt's (and its Affiliates') intellectual property and other rights. At Hyatt's option, Franchisee must submit to Hyatt for its prior approval any proposed lease or other agreement between Franchisee (or its Affiliate or the Management Company) and the F&B Operator pursuant to which the F&B Operator will conduct F&B Operations, in which case

Franchisee may not sign (or permit its Affiliate or the Management Company to sign) any such lease or other agreement that Hyatt has not approved.

(b) **Spa Operations.** If the Hotel has Spa Operations, Franchisee may subcontract the management of the Spa Operations to a Spa Operator only if (i) Hyatt (in its sole judgment) approves of the Spa Operator, the spa concept and the terms of the lease or other arrangement between Franchisee and the Spa Operator; (ii) the Spa Operator complies with all applicable System Standards; and (iii) the spa does not use the Proprietary Marks in any manner (unless Hyatt authorizes such use in writing).

2.4 **Pre-Opening Sales Office.** Promptly after the Technology System is installed at the Hotel, Franchisee shall open and begin operating a Pre-Opening Sales Office at the Site, staffed by the Hotel's Director of Sales.

2.5 **Opening the Hotel.** Franchisee may not open or begin operating the Hotel under the Proprietary Marks until Hyatt has notified Franchisee in writing that Franchisee has satisfied all of the pre-opening conditions set forth in the System Standards or otherwise in writing. Franchisee must open and begin operating the Hotel under the Hotel System and the Proprietary Marks on or before the Opening Deadline. If Franchisee wants to request an extension of the Opening Deadline, Franchisee must submit a written request and a Ten Thousand Dollar (\$10,000) extension fee to Hyatt before the Opening Deadline. If Hyatt approves the extension, Hyatt will set a new Opening Deadline, the extension fee will be non-refundable, and Hyatt may (at its option) require Franchisee to modify any previously-approved plans or the PIP (as applicable), to comply with the then current design, equipment and other aspects of the Hotel System. If Hyatt denies the extension, Hyatt will refund the extension fee. Franchisee shall indemnify Hyatt for all costs and expenses that Hyatt incurs directly or indirectly as a result of Franchisee's failure to open the Hotel on or before the anticipated Opening Date specified by Franchisee or the Opening Deadline, whichever is earlier, including any amounts that Hyatt pays with respect to customers whose reservations at the Hotel are cancelled.

2.6 **Hyatt's Role in Pre-Opening Phase.** Hyatt agrees to use reasonable efforts in connection with its review and approval of plans and its approval to open the Hotel under the Proprietary Marks, including by making a reasonable number of visits to the Site and providing reasonable guidance and advice relating to the Hotel's development or conversion. Franchisee must pay Hyatt's then current fees for any additional guidance, services or assistance (beyond what Hyatt typically provides to similarly situated Hyatt Regency Hotels, subject to Reasonable Deviations) that Franchisee requests, and Hyatt (at its option) agrees to provide, in connection with the Hotel's development or conversion. Hyatt's review and approval of plans, its providing construction, design, architectural, planning and/or related services in connection with the Hotel (whether before or after signing this Agreement), and its approval to open the Hotel under the Proprietary Marks are intended only to determine compliance with Hyatt's pre-opening requirements. Hyatt's determination that Franchisee has met all of Hyatt's pre-opening requirements will not constitute a representation or warranty, express or implied, that the Hotel complies with any laws or is safe for occupancy, nor shall such determination act as a waiver of Franchisee's non-compliance, or of Hyatt's right to demand full compliance, with such pre-opening requirements or any other provision of this Agreement. Hyatt will have no liability to Franchisee for the Hotel's construction or renovation. It is Franchisee's responsibility to ensure

that the Hotel (a) complies with Hyatt's requirements as communicated to Franchisee by Hyatt, (b) complies with all Accessibility Laws and other applicable ordinances, building codes, and permit requirements, and (c) is safe for occupancy.

2.7 **Comfort Letter Parties.** Franchisee must cause each Comfort Letter Party to sign a comfort letter or other agreement that Hyatt reasonably specifies under which such Comfort Letter Party agrees, among other things, to assume Franchisee's obligations under this Agreement (subject to Hyatt's rights under ARTICLE XII) if the Comfort Letter Party or any of its Affiliates acquires title or otherwise assumes possession, or the right to sell or direct the disposition of, the Hotel's real property or building and improvements. Franchisee shall pay Hyatt its then current comfort letter fee for each comfort letter that Hyatt negotiates relating to the Hotel. In addition, upon Hyatt's request from time to time, Franchisee must cause each Comfort Letter Party to sign and deliver to Hyatt an estoppel in the form that Hyatt reasonably specifies concerning the status of Franchisee's contractual relationship with that Comfort Letter Party.

2.8 **Hotel System Variations.** Franchisee acknowledges that Hyatt and its Affiliates may operate, and authorize others to operate, Hyatt Regency Hotels outside the United States providing additional, fewer and/or different amenities and services to guests than the Hotel provides or that otherwise operate in a manner that is substantially different from the manner in which the Hotel operates. Hyatt may establish and periodically modify the Hotel System and System Standards for certain Hyatt Regency Hotels in the United States in a manner that is different from the Hotel System and System Standards that apply to some or all Hyatt Regency Hotels outside the United States.

ARTICLE III

TRAINING, GUIDANCE AND ASSISTANCE

3.1 **Training.**

(a) **Owner Orientation.** Within the time period that Hyatt reasonably specifies after the Effective Date, Franchisee's managing owner or senior operations officer must attend an owner orientation program at Hyatt's headquarters in Chicago, Illinois. Hyatt does not charge a fee for this orientation program.

(b) **General Manager Orientation.** Within the time period that Hyatt reasonably specifies before the Hotel's anticipated Opening Date, the Hotel's proposed general manager must attend an orientation program at Hyatt's headquarters. If Franchisee or the Management Company replaces the Hotel's general manager during the Term (subject to Section 4.2), the replacement general manager must attend the orientation program within thirty (30) days (or such longer period that Hyatt periodically designates) after assuming that position. Franchisee must pay Hyatt's then current fee for this orientation program and any additional programs that the Hotel's personnel attend.

(c) **Initial Training Programs.** Before opening the Hotel for business under the Proprietary Marks, members of the Core Management team and other Hotel personnel whom Hyatt specifies must attend and successfully complete Hyatt's brand standard

training programs and curriculum for their respective positions. During the Term, if Franchisee, the Management Company or the approved F&B Operator replaces any member of its Core Management team or any other individual whom Hyatt required to attend training, that person's replacement must attend and successfully complete the applicable brand standard training programs that Hyatt reasonably specifies within ninety (90) days (or such longer period that Hyatt periodically designates) after assuming that position. Hyatt will designate the dates, locations, and duration of training.

(d) **Pre-Opening Training.** Hyatt will provide pre-opening training to the Hotel staff on brand standards and related issues in connection with the Hotel's grand opening under the Proprietary Marks. Hyatt may conduct this training via remote learning, in one or more visits to the Hotel, or both, as Hyatt determines in its sole option. Franchisee must pay Hyatt's then current fee and the trainers' travel and living expenses associated with any training that Hyatt provides on-site at the Hotel. If Hyatt provides on-site training, the trainers will arrive at or before the Hotel's grand opening under the Proprietary Marks and stay for the period that Hyatt specifies.

(e) **Supplemental and Optional Training.** Hyatt may, at such times and places as it deems best, require the Core Management and/or other Hotel personnel that Hyatt reasonably specifies to participate in regional and national conventions, meetings, and other brand standard training programs that Hyatt periodically specifies. Hyatt also may, at its option, offer various optional training programs from time to time during the Term.

(f) **Training Fees and Expenses.** Franchisee must pay Hyatt's then current fees for any conventions, meetings and other initial, supplemental and optional training programs that the Hotel's personnel attend. Franchisee also is responsible for all related compensation, and travel and living expenses that Hotel personnel incur. If Hyatt holds any training at the Hotel, Franchisee must provide free lodging for Hyatt's representatives, subject to availability.

3.2 **Providing System Standards.** Hyatt shall provide Franchisee access to the System Standards during the Term. Franchisee must comply with the System Standards, as Hyatt periodically modifies them, except for any employment-related or other policies and procedures which are clearly indicated in the System Standards as being for Franchisee's optional use. Hyatt may communicate the System Standards to Franchisee using various means that Hyatt may periodically establish, including electronic media and/or written materials, and Franchisee agrees continuously to monitor and access any updates to the System Standards or other aspects of the Hotel System. Franchisee agrees to restrict (and ensure the Management Company restricts) access to the System Standards in accordance with Hyatt's policies, as Hyatt periodically modifies them. If there is a dispute over their contents, Hyatt's master version of the System Standards controls. Franchisee agrees that the System Standards and any passwords or other digital identifications necessary to access the System Standards are part of the Confidential Information.

3.3 **General Guidance and Assistance.** During the Term, Hyatt may advise Franchisee from time to time regarding the Hotel's operation, for example, with respect to System Standards and advertising and marketing materials and programs. If Franchisee requests, and

Hyatt agrees to provide, additional or special guidance, assistance, or training, Franchisee agrees to pay Hyatt's then applicable charges and travel and living expenses. Any specific training, guidance or assistance that Hyatt provides does not create an obligation (whether by course of dealing or otherwise) to continue providing that specific training, guidance or assistance, all of which Hyatt may periodically modify.

3.4 **Other Arrangements and Delegation.** Hyatt may make arrangements with its Affiliates or other third parties to provide development, marketing, operations, administration, technical, and support functions, facilities, services, and/or personnel related to the Hotel System. Hyatt may delegate the performance of any portion or all of its obligations under this Agreement to third party designees, whether these designees are its Affiliates, agents, or independent contractors with whom Hyatt contracts to perform these obligations. If Hyatt does so, the third party designees will be obligated to perform the delegated functions for Franchisee in compliance with this Agreement.

ARTICLE IV

OPERATION OF THE HOTEL

4.1 **System Services.** If Franchisee is in full compliance with its obligations under this Agreement, Hyatt or one or more members of the Hyatt Group will provide to Franchisee those System Services periodically specified by Hyatt. Franchisee must participate in all Mandatory Services and related programs, and may (at Franchisee's option) participate in any or all Non-Mandatory Services and related programs, in the manner that Hyatt periodically specifies. Hyatt may from time to time add to, delete from, and otherwise modify these System Services, and the scope of and manner of providing System Services, upon notice to Franchisee. Also, due to the differences in products, services, markets and hospitality experiences among Hyatt Regency Hotels and other Hyatt Network Hotels, Hyatt may, where it deems appropriate in its judgment: (a) classify certain System Services as Mandatory Services under this Agreement which Hyatt classifies as Non-Mandatory Services or does not offer to other Hyatt Regency Hotels and/or other Hyatt Network Hotels; (b) not provide to the Hotel certain System Services that Hyatt provides to other Hyatt Regency Hotels and/or other Hyatt Network Hotels; and (c) limit the scope of those System Services provided to franchised Hyatt Regency Hotels, including, by way of example and without limitation, by limiting the access that franchised Hyatt Regency Hotels have to certain customer and other proprietary information for Hyatt Network Hotels other than the Hotel.

4.2 **Management of the Hotel.** Either a Management Company that Hyatt approves pursuant to this Section 4.2, or Franchisee (if Hyatt approves Franchisee to manage the Hotel pursuant to this Section 4.2), must at all times retain and exercise direct management control over all aspects of the Hotel's business and must be the employer of the Hotel's Core Management and other personnel, unless an F&B Operator whom Hyatt approves employs the individual(s) serving as director of food and beverage, director of catering, and/or executive chef for the Hotel.

(a) **Franchisee or Management Company as Manager.** Franchisee may not enter into a Management Arrangement without Hyatt's prior written approval of the Management Company, and Franchisee may not itself manage the Hotel without Hyatt's approval of Franchisee as the Hotel's operator. Hyatt will not unreasonably withhold its

approval if the Management Company or Franchisee (as applicable) meets Hyatt's minimum qualifications and ensures that its personnel attend and satisfactorily complete required brand standard training programs. If Hyatt approves a Management Company, as a condition of that approval, the Management Company must sign the documents Hyatt requires to protect its intellectual property rights and to reflect the Management Company's agreement to perform its management responsibilities and otherwise operate the Hotel in compliance with this Agreement (collectively, the "**Management Company Documents**"). The current version of the Management Company Documents is attached as Exhibit F. Nevertheless, Hyatt may refuse to approve a Management Company which is a Brand Owner. If Hyatt approves a Management Company as of the Effective Date, or if Hyatt approves Franchisee to manage the Hotel as of the Effective Date, then that approval is indicated on Exhibit B.

If an approved Management Company at any time becomes a Brand Owner or fails to meet Hyatt's minimum qualifications (as Hyatt may periodically modify them) or to comply with any of the Management Company Documents, or if Franchisee is managing the Hotel and at any time fails to meet Hyatt's minimum qualifications (as Hyatt may periodically modify them) or to comply with any provisions of this Agreement concerning the management or operation of the Hotel, then, without limiting Hyatt's other rights and remedies under this Agreement and applicable law, Hyatt may revoke its approval of that Management Company or of Franchisee as the manager of the Hotel. If Hyatt does so, then Franchisee must promptly terminate the Management Arrangement with that Management Company (if applicable) and either assume direct control of the Hotel's management and operation, if Hyatt approves Franchisee to manage the Hotel, or engage another Management Company that Hyatt has approved in writing.

(b) **Management Qualifications**. At Hyatt's option, before any general manager, director of sales or director of revenue management for the Hotel is engaged, Franchisee must submit to Hyatt the identity and qualifications of the proposed candidates. These personnel must be in place and working on behalf of the Hotel by the time period Hyatt specifies. If the Hotel's general manager fails to ensure that the Hotel satisfies Hyatt's quality assurance requirements or other brand standards, or the Hotel's director of sales or director of revenue management fails to ensure that the Hotel satisfies Hyatt's brand standards relevant to the subject area for which that individual has responsibility, then, without limiting Hyatt's other rights and remedies under this Agreement and applicable law, Hyatt may require Franchisee or the Management Company (as applicable) to appoint a new individual to serve in that position for the Hotel within the time period that Hyatt specifies.

(c) **Core Management Staffing**. Franchisee, the Management Company or the approved F&B Operator (as applicable) is solely responsible for hiring the Core Management and other Hotel personnel and determining the terms and conditions of their employment. Franchisee, the Management Company or the approved F&B Operator (as applicable) must hire and properly train all Core Management and have a Core Management team in place at the Hotel at all times. Franchisee must ensure that all members of the Hotel's Core Management whom Franchisee or the Management Company employ spends all of their working time at the Hotel fulfilling their management and

operational responsibilities and do not concurrently maintain a position at another lodging facility or in any other capacity related to the lodging industry.

4.3 **System Standards.** Subject to ARTICLE X, Franchisee must operate the Hotel twenty-four (24) hours a day, every day, and use the Hotel and its premises solely for the business franchised under this Agreement. Franchisee must at all times ensure that the Hotel is operated in compliance with the Hotel System and all other mandatory System Standards Hyatt periodically communicates to Franchisee, as Hyatt may periodically modify them. System Standards may regulate any aspect of the Hotel's operation and the products and services that the Hotel uses and offers to guests and other customers, including participation in and compliance with the terms of all of Hyatt's mandatory marketing, reservation service, rate and room inventory management, advertising, guest frequency and loyalty, social responsibility, discount or promotional, training and operating programs, including a property management system that interfaces with the CRS. Franchisee must sign and comply with any license, participation and other agreements Hyatt periodically specifies relating to these programs.

Despite Hyatt's right to establish and periodically to modify System Standards for the Hotel and modify the Hotel System as Hyatt deems best, Franchisee retains the right to control, and responsibility for, the Hotel's day-to-day management and operation and implementing and maintaining System Standards at the Hotel. Because complete and detailed uniformity under many varying conditions might not be possible or practical, Hyatt reserves the right, as Hyatt deems best, to vary the Hotel System and System Standards for any Hyatt Regency Hotel based upon the peculiarities of any condition or factors that Hyatt considers important to that hotel's successful operation. Franchisee has no right to require Hyatt to grant Franchisee a similar variation or accommodation.

Hyatt and Franchisee agree that any materials, guidance or assistance that Hyatt provides with respect to employment-related policies or procedures are solely for Franchisee's (and/or the Management Company's) optional use. Those materials, guidance and assistance do not form part of the mandatory System Standards. Franchisee (or the Management Company) will determine to what extent, if any, these materials, guidance or assistance should apply to the Hotel's employees. Franchisee acknowledges that Hyatt does not dictate or control labor or employment matters for franchisees and their employees and will not be responsible for the safety and security of Hotel employees or patrons. Franchisee (or the Management Company) is solely responsible for determining the terms and conditions of employment for all Hotel employees (including Core Management), for all decisions concerning the hiring, firing and discipline of Hotel employees, and for all other aspects of the Hotel's labor relations and employment practices.

4.4 **Sources of Products and Services.** Hyatt may require Franchisee to acquire FF&E, supplies, and other goods and services only from Hyatt (or its Affiliate) or from one or more sources that Hyatt periodically designates or approves. If Franchisee wishes to obtain any FF&E, supplies, or other goods and services from a source that Hyatt has not previously approved as a supplier of the particular item or service, Franchisee must comply with Hyatt's then current supplier approval standards. Upon Hyatt's request, Franchisee must reimburse Hyatt's costs in reviewing Franchisee's request and evaluating the product, service and/or source. Hyatt may designate a particular source for, or model or brand of, FF&E, supplies or other goods or services that Hyatt (in its sole judgment) determines to be critical to the Hotel System. Hyatt and its

Affiliates have the right to receive rebates, commissions, and other consideration from suppliers on account of their actual or prospective dealings with Franchisee and other franchisees and owners of Hyatt Regency Hotels, but (subject to Section 4.1) neither Hyatt nor its Affiliates will receive rebates from suppliers based solely on the volume of Franchisee's purchases from those suppliers unless Hyatt either forwards those rebates to Franchisee, uses them to cover System Services Costs, or otherwise uses those rebates for the benefit of the Hotel System or the Hyatt Regency Hotel network.

4.5 **CRS, GDS and ADS.** Franchisee must participate in, connect with, and use the authorized CRS, GDS and ADS (and only the authorized CRS, GDS and ADS) in the manner Hyatt periodically designates for offering, booking, modifying, and communicating guest room reservations for the Hotel. Franchisee must honor and give first priority on available rooms to all confirmed reservations that the CRS, GDS or ADS refers to the Hotel. The CRS and approved GDS and ADS are the only reservation systems or services that the Hotel may use for reservations. Franchisee will establish the Hotel's room rates, provided that those rates and Franchisee's pricing policies comply with System Standards (to the maximum extent the law allows). Franchisee may not charge any guest a rate higher than the rate that the reservations center specifies to the guest when the guest makes the reservation.

4.6 **F&B Operations and Spa Operations.** Franchisee is responsible for ensuring that all F&B Operations and all Spa Operations (if the Hotel has Spa Operations) operate in full compliance with all applicable laws, rules and regulations and all applicable System Standards. Franchisee agrees to provide, or cause the Management Company to provide, all training programs to the F&B Operator and Spa Operator (if the Hotel has Spa Operations) that Hyatt periodically specifies. If the F&B Operator or Spa Operator at any time fails to operate in full compliance with all applicable laws, rules and regulations and all applicable System Standards, or fails to comply with any agreement with Hyatt, then, without limiting Hyatt's other rights and remedies under this Agreement and applicable law, Hyatt may revoke its approval of the F&B Operator or Spa Operator (as applicable). If Hyatt does so, then Franchisee must promptly terminate its arrangement with the F&B Operator or Spa Operator and either assume direct control of the Hotel's F&B Operations or Spa Operations (as applicable), if Hyatt has approved Franchisee to manage the Hotel, or engage another approved F&B Operator or Spa Operator that Hyatt has approved in writing.

4.7 **Upgrading the Hotel and CapEx Account.** Franchisee may not make any material changes to the Hotel's construction, including any changes to any structural or life safety equipment or systems, the number and/or type of guest rooms or common areas, or any architectural features, without Hyatt's prior written consent and complying with such conditions and procedures that Hyatt periodically establishes for such changes. Without limiting Hyatt's rights and Franchisee's obligations under Section 4.3, Hyatt may require Franchisee at any time and from time to time during the Term to upgrade or renovate the Hotel, including by altering the Hotel's appearance and/or replacing a material portion of improvements and/or FF&E, to comply with then current building décor, appearance, trade dress standards and other aspects of the Hotel System that Hyatt has established and then requires for new similarly situated Hyatt Regency Hotels (subject to Reasonable Deviations). This upgrading or renovation may obligate Franchisee to invest additional capital in the Hotel and/or incur higher operating costs. Franchisee agrees to implement such upgrading and renovation within the time period Hyatt requests, provided that all

such upgrades and renovations apply to similarly situated Hyatt Regency Hotels (subject to Reasonable Deviations).

In order to assist Franchisee in having funds available to make any necessary capital expenditures at the Hotel and comply with its obligations under this Section 4.7 (but without limiting those obligations), Franchisee shall deposit into a separate account that Franchisee controls an amount equal to five percent (5%) of the Hotel's Total Operating Revenue each month. Upon Hyatt's reasonable request, Franchisee will periodically provide Hyatt information concerning the funds in and expenditures from that account. Franchisee shall use such funds only for the purpose of making approved capital expenditures and complying with its upgrade and other obligations under this Section 4.7, although such obligations may require Franchisee to spend more than the amount then in that account.

4.8 **Inspections/Compliance Assistance and Quality Assurance Program.** Hyatt may inspect the Hotel at any time, with or without notice to Franchisee, to determine whether Franchisee and the Hotel are complying with the Hotel System, System Standards, and other provisions of this Agreement. Franchisee must give Hyatt's representatives free lodging (subject to availability) during the inspection period. The Hotel also must participate in, and pay its allocable share of all fees and other costs associated with, the Quality Assurance Program. If Hyatt determines that the Hotel is failing to comply with the System Standards or any other terms and conditions of this Agreement, then, without limiting Hyatt's other rights or remedies under this Agreement, any other agreement or applicable law, Franchisee must: (a) reimburse Hyatt for its costs related to that non-compliance, including fees, travel and living expenses, guest satisfaction payments or expenses, and other costs for administering any necessary actions, follow-up inspections, audits or re-evaluation visits until the failures to comply have been fully corrected, and (b) ensure that applicable Hotel personnel attend meetings and additional brand standard training programs that Hyatt specifies, at Franchisee's sole expense, relating to that non-compliance.

4.9 **Compliance With Laws.** Franchisee must strictly comply with all laws, rules, regulations and other legal and governmental requirements concerning the Hotel's development and operation, including by (a) ensuring that the Hotel is at all times in full compliance with the Accessibility Laws and similar rules; (b) paying all taxes when due; and (c) obtaining and maintaining (or ensuring that the Management Company, F&B Operator and/or Spa Operator, as applicable, obtains and maintains) all liquor licenses and other licenses and permits necessary to operate the Hotel, including the F&B Operations and Spa Operations (if the Hotel has Spa Operations). Franchisee agrees to comply, and to assist Hyatt to the fullest extent possible in its efforts to comply, with the Trade Restriction Laws, Anti-Corruption Laws and Privacy Laws. In connection with that compliance, Franchisee (on behalf of itself and its Owners, excluding any Public Owners) certifies, represents, and warrants as of the Effective Date that none of Franchisee's nor any such Owner's property or interests is subject to being blocked under, and that Franchisee and such Owners otherwise are not in violation of, any of the Trade Restriction Laws. Franchisee represents and warrants that as of the Effective Date it has in place, and covenants to maintain in place throughout the Term, commercially reasonable compliance programs, policies and procedures designed to prevent any violations of, and promptly to detect any risks of violation or potential violation of, any Trade Restriction Laws, Anti-Corruption Laws or Privacy Laws,

including procedures for conducting background checks on Owners and prospective Owners (other than Public Owners).

4.10 **No Diverting Business.** Franchisee must refer guests and customers, wherever reasonably possible, only to Hyatt Regency Hotels or other Hyatt Network Hotels, not use the Hotel or the Hotel System to promote a competing business or other lodging facility, and not divert business from the Hotel to a competing business.

4.11 **No Brand Owners.** Franchisee represents and warrants to Hyatt that neither Franchisee nor any of its Owners (other than a Public Owner) is a Brand Owner and agrees that neither Franchisee nor any of its Owners (other than a Public Owner) at any time during the Term shall be or become a Brand Owner.

4.12 **Restrictions on Use of the Site.** If the Hotel is or will be part of a Mixed-Use Site:

(a) Franchisee agrees to ensure that no part or portion of the Mixed-Use Site is used to operate (i) a pawnshop, check-cashing business, gentleman's club, pornography retailer, or other sexually-oriented business, or (ii) a package liquor store, marijuana dispensary, or gambling business, without Hyatt's prior written consent, which consent may be granted or withheld in Hyatt's sole judgment, or (iii) a bar, lounge, club or similar establishment situated within three hundred (300) feet of any part of the Hotel's interior footprint, whose revenues are derived more than fifty percent (50%) from the sale of alcoholic beverages, without Hyatt's prior written consent, which consent will not be withheld unless Hyatt reasonably determines that the establishment might have a material negative impact on guests of the Hotel.

(b) Franchisee shall and shall cause its lessees and its Affiliates and their respective lessees to: (i) develop, maintain and operate all Non-Hotel Components within the Mixed-Use Site in accordance with quality, design and operational standards consistent with the quality, design and operational standards applicable to the Hotel, (ii) refrain from advertising, marketing or promoting the Non-Hotel Components as being associated with or part of the Hotel, the "Hyatt Regency" brand or any other Proprietary Marks, except in connection with Hotel, advertisement and promotion approved pursuant to ARTICLE V of this Agreement; and (iii) operate the Non-Hotel Components in a way that, in Hyatt's reasonable judgment, does not damage or reflect adversely on the goodwill associated with any Proprietary Mark.

(c) Franchisee shall and shall cause its lessees and its Affiliates and their respective lessees to, obtain and maintain throughout the Term, with respect to the Non-Hotel Components the insurance coverages meeting then-current industry standards.

(d) Hyatt shall have the right to review the applicable provisions of agreements between Franchisee or its Affiliates and operators of the Non-Hotel Components to determine compliance with this Section 4.12.

ARTICLE V

ADVERTISING AND MARKETING

5.1 **Pre-Opening Marketing.** At least one hundred twenty (120) days before the Hotel's Opening Date, Franchisee must prepare and submit to Hyatt for its approval a written pre-opening marketing program that satisfies Hyatt's requirements and contemplates spending at least an amount equal to Three Hundred Dollars (\$300) multiplied by the number of guest rooms at the Hotel. Franchisee must change the program as Hyatt specifies and implement the approved program.

5.2 **Participation in Advertising and Marketing.** Franchisee acknowledges that promoting Hyatt Regency Hotels as a single chain in the United States is an important part of the Hotel System. Franchisee must participate in and use, in the manner that Hyatt specifies, all advertising, marketing and promotional activities, materials and programs that Hyatt periodically requires for the Hotel.

5.3 **Approval of Marketing Programs.** Subject to Hyatt's requirements and at Franchisee's expense, Franchisee may conduct local and regional marketing, advertising and promotional programs for the Hotel. Franchisee shall pay Hyatt the reasonable fees that Hyatt periodically establishes for optional marketing, advertising and promotional materials Franchisee acquires from Hyatt or its Affiliates for these programs. Franchisee must conduct these programs in a dignified manner and in accordance with the System Standards.

Before using them, Franchisee must submit to Hyatt for its prior approval all advertising, marketing, promotional, and public relations plans, programs, and materials that Franchisee desires to use or in which Franchisee or the Hotel desires to participate and which reference any of the Proprietary Marks, including any materials and uses of the Proprietary Marks in electronic form. If Franchisee does not receive written disapproval within fifteen (15) business days after Hyatt receives the materials, they are deemed to be approved. Franchisee may not use any advertising, marketing, promotional, or public relations materials or engage in any such plans or programs which reference any of the Proprietary Marks that Hyatt has not approved or has disapproved and must discontinue using any previously-approved materials and engaging in any previously-approved plans or programs within the timeframe Hyatt specifies after Franchisee receives written notice from Hyatt.

5.4 **Websites and Electronic Media.** Hyatt may maintain (or authorize any other entity to maintain) the Hotel System Website to advertise, market and promote all or a certain group of Hyatt Regency Hotels that Hyatt periodically specifies (and, at Hyatt's option, other Hyatt Network Hotels). Franchisee must comply with all System Standards relating to the Hotel System Website, including by providing Hyatt (or its designee) all information and other materials concerning the Hotel that Hyatt periodically requests and promptly notifying Hyatt whenever any information concerning the Hotel on the Hotel System Website is no longer accurate. By providing Hotel-related information and materials, Franchisee is representing to Hyatt that they are accurate and not misleading and do not infringe any third party's intellectual property or other rights. Hyatt shall have the final decision about all information or materials appearing on the Hotel System Website. As between Hyatt and Franchisee, Hyatt owns all intellectual property rights and other

rights in and to the Hotel System Website, including data that visitors supply or the Hotel System Website obtains. Hyatt may discontinue the Hotel System Website and/or any of its content (including separate webpages for participating Hyatt Regency Hotels) at any time.

Franchisee may not develop, maintain or authorize any website or other electronic medium (other than the Hotel System Website) that either has the word “hyatt” or any similar word, or any of the Proprietary Marks, as part of its domain name or URL or that accepts reservations for the Hotel (other than through an approved link to a Hotel System Website) or otherwise sells any products or services associated with the Hotel or any of the Proprietary Marks. In addition, except for the Hotel System Website, approved ADS, and as otherwise provided in this Section 5.4, Franchisee may not develop, maintain or authorize any other website, other online presence or other electronic medium that describes or in any other way promotes the Hotel or displays any of the Proprietary Marks. Franchisee may, with Hyatt’s approval (which it will not unreasonably withhold) and subject to compliance with System Standards, authorize any Travel Services Website or Franchisee Organization Website to list and promote the Hotel together with other hotels.

ARTICLE VI

FEES AND PAYMENTS

6.1 **Initial Fees.**

(a) The initial Application Fee was fully earned by Hyatt and non-refundable upon Hyatt’s approval of Franchisee’s franchise application before Hyatt and Franchisee signed this Agreement. If Hyatt and Franchisee agree to add guest rooms to the Hotel above the number of rooms stated in Exhibit B before the Hotel opens, then Franchisee must pay Hyatt, when Hyatt approves the additional guest rooms, an additional Application Fee in an amount equal to Four Hundred Dollars (\$400) multiplied by the number of additional guest rooms at the Hotel. After the Hotel opens, if Franchisee wants to add any guest rooms to the Hotel, Franchisee must pay Hyatt’s then current PIP fee (currently Ten Thousand Dollars (\$10,000)) when Franchisee requests Hyatt’s approval of Franchisee’s plans. This PIP fee is non-refundable. Hyatt will apply this PIP fee toward the additional Application Fee of Four Hundred Dollars (\$400) multiplied by the number of additional guest rooms if Hyatt approves Franchisee’s plans. If the PIP fee exceeds the additional Application Fee, Hyatt may keep the excess. The remaining portion of the additional Application Fee is due, fully earned by Hyatt, and non-refundable on the date Hyatt approves Franchisee’s plans to develop the additional guest rooms.

(b) In connection with the IT Project Management Services, Franchisee shall pay Hyatt the “**IT Project Management Services Fee**” as set forth in Exhibit B. The IT Project Management Services Fee is non-refundable.

(c) If Franchisee is constructing a new Hotel, adapting a non-hotel space for use as a Hotel, or conducting a significant renovation of an existing hotel in connection with conversion to a Hyatt Regency Hotel, Franchisee shall pay Hyatt a design services

review fee (the “**Design Services Review Fee**”) as set forth in Exhibit B. The Design Services Review Fee is non-refundable.

6.2 **Monthly Fees to Hyatt**. On or before the tenth (10th) day of each month or such later day of the month that Hyatt periodically specifies, Franchisee shall pay Hyatt:

(a) a “**Royalty Fee**” equal to six percent (6%) of the Hotel’s Gross Rooms Revenue accrued during the preceding month and three percent (3%) of the Hotel’s Gross F&B Revenue accrued during the preceding month;

(b) the System Services Charges for the previous month. Franchisee acknowledges that System Services Charges will include an allocable proportion of certain System Services Costs incurred during the period before the Hotel opens in accordance with this Agreement. System Services Charges shall be determined on the same basis as such amounts are determined for other Participating Hotels. Any allocation of shared costs that the Hyatt Group makes in good faith and with the intention of fairly allocating such costs to System Services shall be binding on the parties hereto. System Services Costs shall include the actual costs incurred by the Hyatt Group and shall not be subject to any mark-up, premium or profit on any Mandatory Services, but may include a profit or mark-up component on Non-Mandatory Services as described above or as determined by the Hyatt Group. The Hyatt Group may in its reasonable judgment periodically change its method of allocation of the System Services Costs among Participating Hotels, and the categories of Hyatt Regency Hotels and/or other Hyatt Network Hotels that are classified as Participating Hotels, provided that such method of allocation and categories of Participating Hotels shall at all times be determined on a reasonable, equitable and non-discriminatory basis; and

(c) all fees and other amounts that Hyatt (or its Affiliates) then has paid or has agreed to pay on Franchisee’s behalf to any Providers. If any Provider assesses a single or group fee or other charge that covers all or a group of Hyatt Regency Hotels or other Hyatt Network Hotels to which that Provider provides products or services, Franchisee agrees that Hyatt’s allocation of that fee or other charge among the Hotel and other participating hotels is final. The Providers may periodically increase the fees and other charges they impose. At Hyatt’s option, Franchisee must begin paying these fees and other charges directly to the applicable Provider(s).

6.3 **Payments to Other Parties**. Franchisee agrees to pay on a timely basis, as and when due, all amounts owed to third parties (including Hyatt’s Affiliates) arising out of the Hotel’s operation (excluding only amounts owed which are reasonably in dispute), including: (a) applicable commissions to travel agents and third party reservation service charges and otherwise participate in any Hotel System travel agent commission payment program, as Hyatt periodically modifies it; (b) all commissions and fees for reservations Franchisee accepts through any sources (including the Internet), whether processed through Hyatt, the CRS, or any Provider’s reservation system or billed directly to Franchisee; and (c) all fees and assessments due for guest frequency programs and other marketing programs Hyatt periodically initiates that are attributable to the Hotel.

6.4 **Electronic Funds Transfer.** Franchisee must make all payments for Royalty Fees, System Services Charges and other amounts due to Hyatt or any member of the Hyatt Group under this Agreement or otherwise in connection with the Hotel by electronic funds transfer (“**EFT**”) in compliance with System Standards. Hyatt periodically may change the procedure for payments hereunder. Funds must be available in Franchisee’s account to cover payments when due. Franchisee may not change its bank, financial institution, or account used in connection with the operation of the Hotel without first telling Hyatt.

6.5 **Late Fee and Late Payment Interest.** Franchisee agrees to pay Hyatt a late fee of Two Hundred Twenty-Five Dollars (\$225) for each required payment not made on or before its original due date and for each required payment or authorized automatic debit not honored by Franchisee’s financial institution. The late fee is not interest or a penalty but compensates Hyatt for increased administrative and management costs due to Franchisee’s late payment. In addition, all amounts that Franchisee owes Hyatt that are more than seven (7) days late, or that are not available for withdrawal by automatic debit when due (if the amounts are payable by automatic debit), will bear interest accruing as of their original due date at one and one-half percent (1.5%) per month or the highest commercial contract interest rate the law allows, whichever is less. Franchisee acknowledges that this Section 6.5 is not Hyatt’s agreement to accept any payments after they are due or Hyatt’s commitment to extend credit to, or otherwise finance Franchisee’s operation of, the Hotel.

6.6 **Application of Payments.** Despite any designation Franchisee makes, Hyatt may apply any of Franchisee’s payments to any of Franchisee’s past due indebtedness to Hyatt or its Affiliates. Hyatt may set off any amounts Franchisee or its Affiliates owe Hyatt or its Affiliates against any amounts that Hyatt or its Affiliates owe Franchisee or its Affiliates. Franchisee may not withhold payment of any amounts Franchisee owes Hyatt or its Affiliates due to Hyatt’s alleged nonperformance of any of its obligations under this Agreement.

6.7 **Taxes on Franchisee’s Payments.** In addition to any sales, use and other taxes that applicable law requires or permits Hyatt to collect from Franchisee for providing goods or services under this Agreement, Franchisee shall pay to Hyatt all Transaction Taxes in an amount necessary to provide Hyatt with after-tax receipts (taking into account any additional payments required hereunder) equal to the same amounts that Hyatt would have received under this Agreement if such Transaction Taxes had not been imposed.

6.8 **Non-Refundability.** Unless otherwise specified, all fees that Franchisee paid to Hyatt or its Affiliates before or simultaneously with the execution of this Agreement, or pays to Hyatt or its Affiliates during the Term, are non-refundable.

ARTICLE VII

BOOKS AND RECORDS, AUDITS AND REPORTING

7.1 **Reports.** Franchisee must prepare and deliver to Hyatt the operating statements, financial statements and other reports relating to the Hotel that Hyatt periodically requires, prepared in the form, by the methods, and within the timeframes that Hyatt periodically specifies

in the System Standards. Hyatt may use such information for all reasonable purposes. Hyatt may require Franchisee to have audited financial statements prepared annually during the Term.

7.2 **Lender and Ground Lessor Information.** Franchisee must send Hyatt current contact information for each Lender and Ground Lessor upon Hyatt's request or any change in the Lender's or Ground Lessor's information, and must provide Hyatt written notice of any proposed material amendments to any mortgage or loan facility covering the Hotel, together with information concerning the proposed amendment and Franchisee's financial condition that Hyatt reasonably requests, at least fifteen (15) days before finalizing the amendment. Upon Hyatt's request, Franchisee must provide Hyatt copies of all ground leases, subleases and other arrangements with any Ground Lessor. Franchisee must promptly send Hyatt a copy of any notices of default, termination, or other exercise of any default rights or remedies that Franchisee receives from or delivers to any Lender or Ground Lessor, together with all other information that Hyatt reasonably requests relating to any such defaults or termination. Franchisee agrees that Hyatt may, at its option and without breaching any rights of or obligations to Franchisee, have discussions and share information with any Lender, Ground Lessor, supplier or other vendor concerning the Hotel or Franchisee.

7.3 **Other Actions or Events.** Franchisee must notify Hyatt in writing within ten (10) days after Franchisee receives information or documentation about any lawsuit, action, or proceeding, or the issuance of any injunction, award, or decree of any court, quasi-judicial body, or governmental agency, that might adversely affect the Hotel, Franchisee's ability to perform its obligations under this Agreement, or Franchisee's financial condition.

7.4 **Preparation and Maintenance of Books and Records.** Franchisee agrees to: (a) prepare on a current basis in a form satisfactory to Hyatt, and thereafter maintain in accordance with System Standards, complete and accurate records concerning Gross Rooms Revenue, Gross F&B Revenue and all financial, operating, marketing, and other aspects of the Hotel; and (b) maintain an accounting system that fully and accurately reflects all financial aspects of the Hotel. Hyatt reserves the right to access Franchisee's computer system independently to obtain sales information, occupancy information, and other data and information relating to the Hotel.

7.5 **Audit.** Hyatt may at any time during Franchisee's regular business hours, and with prior notice to Franchisee, examine Franchisee's and the Hotel's business and accounting records, tax records and returns, and other records. Franchisee agrees to cooperate fully in any examination. If any examination discloses an understatement of the Hotel's Gross Rooms Revenue or Gross F&B Revenue, Franchisee agrees to pay Hyatt, within fifteen (15) days after receiving the examination report, the Royalty Fees, System Services Charges and other fees due on the amount of the understatement, together with the late fee and interest in accordance with Section 6.5. Furthermore, if Hyatt determines that an examination is necessary due to Franchisee's failure to furnish reports or other information when required, or if Hyatt's examination reveals a Royalty Fee or System Services Charge underpayment of three percent (3%) or more of the total amount owed during any six (6)-month period, or that Franchisee willfully understated the Hotel's Gross Rooms Revenue or Gross F&B Revenue, Franchisee agrees to reimburse Hyatt for the costs of the examination, including out-of-pocket costs and compensation of Hyatt's employees. These remedies are in addition to Hyatt's other remedies and rights under this Agreement and applicable law.

ARTICLE VIII

RELATIONSHIP OF THE PARTIES AND INDEMNIFICATION

8.1 **Relationship of the Parties.** Franchisee is an independent contractor. Neither Hyatt nor Franchisee is the legal representative or agent of, or has the power to obligate, the other for any purpose. No partnership, joint venture, affiliate, agency, fiduciary, or employment relationship is intended or created by this Agreement. Hyatt and Franchisee may not make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other nor represent that Hyatt's and Franchisee's relationship is other than franchisor and franchisee. Hyatt will not be obligated for any damages to any person or property directly or indirectly arising out of the Hotel's operation or the business Franchisee conducts under this Agreement.

8.2 **Franchisee's Notices to Public Concerning Independent Status.** Franchisee must provide notices making clear to the public that Hyatt is not the Hotel's owner or operator and is not accountable for events occurring at the Hotel. Franchisee also agrees to communicate clearly with Hotel employees in employment agreements, handbooks and other materials that Franchisee (or the Management Company, as applicable), and not Hyatt or its Affiliates, is the employer of all Hotel employees.

8.3 **Franchisee's Indemnification and Defense of Hyatt.**

(a) **Indemnification.** In addition to Franchisee's obligation under this Agreement to procure and maintain insurance, Franchisee agrees to indemnify and hold harmless the Hyatt Indemnified Parties against, and to reimburse any one or more of the Hyatt Indemnified Parties for, all Losses directly or indirectly arising out of, resulting from, or in connection with (a) the application Franchisee submitted to Hyatt for the rights granted under this Agreement; (b) the development or operation of the Hotel, including the use of any Market Descriptor or Hotel IP and any claim or allegation relating to the Accessibility Laws, and including claims alleging either intentional or negligent conduct, acts or omissions by Hyatt or its Affiliates (or any of their agents, employees or representatives) relating to the operation of the Hotel, the F&B Operations, the Spa Operations or the Hotel System, subject to Section 8.4(a); or (c) Franchisee's breach of this Agreement.

(b) **Defense.** Franchisee shall notify Hyatt within five (5) days after receiving notice of any Proceeding covered in Section 8.3(a) naming any Hyatt Indemnified Party as a defendant or potential defendant and shall include with such notification copies of all correspondence or court papers relating to the Proceeding. Franchisee agrees to defend (at Franchisee's expense) the Hyatt Indemnified Parties from and against any and all Proceedings directly or indirectly arising out of, resulting from, or in connection with any matter described in Section 8.3(a) through (c), including those alleging a Hyatt Indemnified Party's negligence or willful misconduct, subject to Section 8.4(a). Each Hyatt Indemnified Party may at Franchisee's expense defend and control the defense of any Proceeding described in this Section 8.3(b) and agree to settlements and take any other remedial, corrective, or other actions, without limiting Franchisee's obligations under

Section 8.3(a), provided that the Hyatt Indemnified Party will seek Franchisee's advice and counsel, and keep Franchisee informed, with regard to any proposed or contemplated settlement.

(c) **Separate Counsel and Settlement.** If separate counsel is appropriate in Hyatt's opinion because of actual or potential conflicts of interest, Hyatt may retain attorneys and/or independently defend any Proceeding subject to indemnification under this Section 8.3 at Franchisee's sole expense. No party may agree to any settlement in any Proceeding that could have an adverse effect on Hyatt, its Affiliates, the Hotel System, or other franchisees without Hyatt's prior approval.

(d) **Right to Control Defense of Certain Proceedings.** Without limiting Hyatt's rights or Franchisee's obligations under this Section 8.3, Hyatt (or its designee) has the right to defend and control the defense of any Proceeding arising from any Data Breach or any class action or other Proceeding involving both the Hotel and any other Hyatt Regency Hotel or Hyatt Network Hotel, regardless of whether Hyatt or any of the other Hyatt Indemnified Parties are named defendants in that Proceeding. Franchisee shall promptly reimburse Hyatt for the Hotel's proportionate share of all reasonable expenses that Hyatt incurs in connection with any Proceeding covered by this Section 8.3(d). Hyatt shall allocate those expenses equitably among the Hotel and all other Hyatt Regency Hotels and Hyatt Network Hotels involved in the Proceeding in any manner that Hyatt reasonably determines.

8.4 **Hyatt's Indemnification and Defense of Franchisee.**

(a) **Indemnification.** Hyatt agrees to indemnify and hold harmless the Franchisee Indemnified Parties against, and to reimburse any one or more of the Franchisee Indemnified Parties for, any and all Losses (including defense costs and other Losses incurred in defending any Proceeding described in Section 8.3(b), if applicable) directly or indirectly arising out of, resulting from, or in connection with (i) final decision by a court of competent jurisdiction not subject to further appeal that Hyatt, its Affiliate, or any of their respective employees directly engaged in willful misconduct or gross negligence or intentionally caused the property damage or bodily injury that is the subject of the claim with respect to operation of the Hotel, so long as the claim is not asserted on the basis of (A) theories of vicarious liability (including agency, apparent agency, or joint employer), (B) Hyatt's failure to compel Franchisee to comply with this Agreement, or (C) negligence or misconduct in connection with the development or construction of the Hotel, all of which are claims for which the Franchisee Indemnified Parties are not entitled to indemnification under this Section 8.4; or (ii) any trademark infringement Proceeding disputing Franchisee's authorized use of any Proprietary Mark under this Agreement, provided that Franchisee has timely notified Hyatt of, and complies with Hyatt's directions in responding to, the Proceeding.

(b) **Defense.** Hyatt agrees to defend (at Hyatt's expense) the Franchisee Indemnified Parties from and against any and all Proceedings described in Section 8.4(b). At Hyatt's option, Hyatt and/or its Affiliate(s) may defend and control the defense of any other Proceeding arising from or relating to the Proprietary Marks or Franchisee's use of

any Proprietary Mark under this Agreement. Hyatt may agree to settlements and take any other remedial, corrective, or other actions with respect to any Proceeding described in this Section 8.4(b), provided that Hyatt will seek Franchisee's advice and counsel, and keep Franchisee informed, with regard to any proposed or contemplated settlement.

8.5 **Survival and Mitigation.** The obligations under Sections 8.3 and 8.4 will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. A Hyatt Indemnified Party or Franchisee Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its Losses, in order to maintain and recover fully a claim under Section 8.3 or 8.4 (as applicable). The obligation to indemnify under Section 8.3 or 8.4 (as applicable) shall not be limited in any way by reason of any insurance that any indemnified party maintains.

ARTICLE IX

INSURANCE

At Franchisee's expense, Franchisee must procure and at all times during the Term maintain such insurance covering the risks, in the amounts, and with the deductibles, retentions and other provisions, as set forth in the System Standards from time to time. All insurance must by endorsement specifically name Hyatt and its Affiliates (and Hyatt's and their employees and agents) as additional insureds. Franchisee must purchase each policy from an insurance company reasonably acceptable to Hyatt. Either the insurer or Franchisee must provide at least thirty (30) days' prior written notice to Hyatt of any insurance policy's cancellation, non-renewal or material change. Franchisee must deliver to Hyatt a certificate of insurance (or certified copy of such insurance policy if Hyatt requests) evidencing the required coverages and setting forth the amount of any deductibles not less than ten (10) days after their respective inception dates. Franchisee must ensure that each F&B Operator and Spa Operator maintains the insurance and otherwise complies with all applicable obligations under this ARTICLE IX that Hyatt periodically specifies, including by naming Hyatt and any Affiliates that Hyatt periodically designates (and Hyatt's and their employees and agents) as additional insureds and delivering certificates of insurance to Hyatt. If Franchisee fails for any reason to procure or maintain the insurance required by this Agreement, Hyatt shall have the right and authority (although without any obligation to do so) to immediately procure such insurance and to charge Franchisee the cost together with a reasonable fee for Hyatt's expenses.

ARTICLE X

CONDEMNATION AND DAMAGE

10.1 **Condemnation.** Franchisee must immediately notify Hyatt of any proposed taking all or a substantial portion of the Hotel by eminent domain, condemnation or expropriation. If the parties do not otherwise agree to relocate the Hotel, then either party may terminate this Agreement immediately upon written notice to the other. If Franchisee and its Owners sign a Termination Agreement, then Franchisee shall not be required to pay liquidated damages pursuant to Section 16.5 at the time of termination. However, such Termination Agreement shall provide that if Franchisee or any of its Affiliates begins construction on or operation of a full service hotel at

any location within the Area of Protection at any time during the twenty-four (24) month period following the effective date of termination of this Agreement, other than a Hyatt Network Hotel or a hotel that was already under contract to be developed at that particular location within the Area of Protection on the date that the Termination Agreement is signed, then Franchisee or its Owners must pay Hyatt liquidated damages equal to Six Thousand Five Hundred Dollars (\$6,500) multiplied by the number of guest rooms in that new full service hotel. If Franchisee and its Owners fail to sign such Termination Agreement within a reasonable time after Hyatt delivers it to Franchisee, then Franchisee must pay Hyatt liquidated damages pursuant to Section 16.5 at the time of termination, in addition to complying with its other post-termination obligations under this Agreement.

10.2 **Damage.** If the Hotel is damaged by fire, flood, accident, hurricane or other casualty, Franchisee must notify Hyatt immediately.

(a) If the cost to repair the damage is less than or equal to the Damage Threshold, then Franchisee must repair the damage promptly according to the System Standards and this Agreement's other terms and conditions. If the damage or repair requires Franchisee to close all or any portion of the Hotel, then Franchisee must commence reconstruction as soon as practicable (but in any event within four (4) months) after closing the Hotel and reopen for continuous business operations as a Hyatt Regency Hotel as soon as practicable (but in any event within twenty-four (24) months) after closing the Hotel, but not without complying with this Agreement's other terms and conditions. The Term will be extended for the period of time during which the Hotel is closed pursuant to this Section 10.2(a), and Franchisee need not make any payments of Royalty Fees or System Services Charges while the Hotel is closed pursuant to this Section 10.2(a) unless Franchisee receives insurance proceeds compensating Franchisee for lost Gross Rooms Revenue or Gross F&B Revenue during such period.

(b) If the cost to repair the damage from the casualty exceeds the Damage Threshold then either party may elect to terminate this Agreement immediately upon written notice to the other in accordance with this Subsection 10.2(b). If Hyatt elects to terminate this Agreement and Franchisee and its Owners sign a Termination Agreement, then Franchisee shall not be required to pay liquidated damages pursuant to Section 16.5 or Brand Damages upon signing the Termination Agreement. If Franchisee elects to terminate this Agreement pursuant to this Section 10.2(b), and Franchisee and its Owners sign a Termination Agreement, then Franchisee or its Owners must pay a termination fee (in lieu of liquidated damages or Brand Damages) upon signing the Termination Agreement in an amount equal to the lesser of the liquidated damages calculated pursuant to Section 16.5 and the Net Recovery, provided that if the Net Recovery is less than zero, no termination fee shall be required upon signing the Termination Agreement.

(c) Franchisee must provide Hyatt such documentation as Hyatt may reasonably request to calculate the Damage Threshold, the insurance proceeds Franchisee receives in connection with any casualty, and the Net Recovery amount (if applicable). Any Termination Agreement signed pursuant to this Section 10.2 shall provide that if Franchisee, any of its Affiliates, or any other entity (including any buyer of the Hotel) begins construction on or operation of a full service hotel at the Site other than a Hyatt

Regency Hotel or another Hyatt Network Hotel at any time during the twenty-four (24)-month period following the effective date of termination of this Agreement, then Franchisee or its Owners must pay Hyatt liquidated damages equal to the difference between (i) the amount that would have been payable pursuant to Section 16.5 at the time of termination, less (ii) the amount of liquidated damages actually paid at the time of termination pursuant to this Section 10.2.

ARTICLE XI

PROPRIETARY RIGHTS

11.1 **Ownership and Goodwill of Proprietary Marks, Copyrighted Materials, and Confidential Information.** Hyatt's Affiliate has licensed the Proprietary Marks, Copyrighted Materials, and Confidential Information to Hyatt to use and sublicense in franchising, developing, and operating Hyatt Regency Hotels. Franchisee's right to use the Proprietary Marks, Copyrighted Materials, and Confidential Information is derived only from this Agreement and is limited to Franchisee's developing and operating the Hotel according to this Agreement and all System Standards that Hyatt prescribes during the Term. Franchisee's unauthorized use of the Proprietary Marks, Copyrighted Materials, or Confidential Information is a breach of this Agreement and infringes Hyatt's and its Affiliate's rights in them. Franchisee's use of the Proprietary Marks, Copyrighted Materials, and Confidential Information and any goodwill established by that use are exclusively for Hyatt's and its Affiliate's benefit, and this Agreement does not confer any goodwill or other interests in the Proprietary Marks, Copyrighted Materials or Confidential Information upon Franchisee, other than the right to develop and operate the Hotel under this Agreement. Franchisee may not at any time during or after the Term contest or assist any other person or entity in contesting the validity, or Hyatt's and its Affiliate's ownership, of any of the Proprietary Marks, Copyrighted Materials, or Confidential Information.

11.2 **Limitations on Franchisee's Use of Proprietary Marks.** Franchisee agrees to use the Proprietary Marks as the Hotel's sole identification, except that Franchisee must identify itself as the Hotel's independent owner in the manner that Hyatt periodically specifies. Franchisee may not use any Proprietary Mark: (a) as part of any corporate or legal business name; (b) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos Hyatt licenses to Franchisee); (c) in providing or selling any unauthorized services or products; (d) as part of any domain name, homepage, meta tags, keyword, electronic address, or otherwise in connection with a website (unless Hyatt has approved such use in advance); or (e) in any other manner Hyatt has not expressly authorized in writing. Franchisee (and, if applicable, any restaurant operators at the Hotel) may not use the Proprietary Marks in connection with any Hotel restaurant operations without Hyatt's prior written consent, which it will not unreasonably withhold, and complying with all System Standards relating thereto. With Hyatt's written approval or as periodically specified by Hyatt, Franchisee may use a Market Descriptor to identify the Hotel in connection with electronic and other marketing materials, but Franchisee agrees that such Market Descriptor is not a Proprietary Mark and Hyatt makes no representation concerning the validity of such use or Franchisee's right to use any such Market Descriptor. If Hyatt discovers Franchisee's unauthorized use of the Proprietary Marks, in addition to Hyatt's other rights and remedies under this Agreement and applicable law, Hyatt may require Franchisee to destroy (with no reimbursement from Hyatt) all offending items reflecting such unauthorized use.

Franchisee may not use any Proprietary Mark in advertising the transfer, sale, or other disposition of the Hotel or an ownership interest in Franchisee or any of its Owners without Hyatt's prior written consent, which Hyatt will not unreasonably withhold. Franchisee agrees to display the Proprietary Marks prominently as Hyatt periodically prescribes at the Hotel and on advertising and other materials Hyatt periodically designates. Franchisee agrees to give the notices of trade and service mark registrations that Hyatt periodically specifies and to obtain any fictitious or assumed name registrations required under applicable law.

11.3 Notification of Infringements and Claims. Franchisee agrees to notify Hyatt immediately of any apparent infringement or challenge to Franchisee's use of any Proprietary Mark, Copyrighted Materials, or Confidential Information, or of any person's claim of any rights in any Proprietary Mark, Copyrighted Materials, or Confidential Information, and not to communicate with any person other than Hyatt, its Affiliates, and its and their attorneys, and Franchisee's attorneys, regarding any infringement, challenge, or claim. Hyatt and its Affiliates may take the action it and they deem appropriate (including no action) and control exclusively any Proceeding arising from any infringement, challenge, or claim or otherwise concerning any Proprietary Mark, Copyrighted Materials, or Confidential Information. Franchisee agrees to sign any documents and take any other reasonable actions that, in the opinion of Hyatt's and its Affiliates' attorneys, are necessary or advisable to protect and maintain Hyatt's and its Affiliates' interests in any Proceeding or otherwise to protect and maintain Hyatt's and its Affiliates' interests in the Proprietary Marks, Copyrighted Materials, and Confidential Information. Hyatt or its Affiliate will reimburse Franchisee's reasonable out-of-pocket costs for taking any requested action.

11.4 Discontinuing Use of Proprietary Marks. If it becomes advisable at any time for Hyatt and/or Franchisee to modify, discontinue using, and/or replace any Proprietary Mark and/or to use one or more additional, substitute, or replacement trade or service marks, Franchisee agrees to comply with Hyatt's directions within a reasonable time after receiving notice. Neither Hyatt nor its Affiliates will reimburse Franchisee for any costs or expenses incurred in connection with such directions, including expenses of changing the Hotel's signs, any loss of revenue due to any modified or discontinued Proprietary Mark, or Franchisee's expenses of promoting a modified or substitute trademark or service mark. Hyatt's rights in this Section 11.4 apply to any and all of the Proprietary Marks (and any portion of any Proprietary Mark) that this Agreement authorizes Franchisee to use.

11.5 Confidential Information. Hyatt and its Affiliates possess (and will continue to develop and acquire) Confidential Information, some of which constitutes trade secrets under applicable law. Franchisee agrees that the Confidential Information is proprietary to Hyatt and its Affiliates, includes Hyatt's and its Affiliate's trade secrets, and is disclosed to Franchisee only on the condition that Franchisee agrees, and Franchisee hereby does agree, that Franchisee: (a) will not use (or allow any of its Affiliates to use) Confidential Information in any other business or capacity; (b) will keep confidential each item deemed to be a part of Confidential Information, both during and after the Term (afterward for as long as the item is not generally known in the hotel industry); (c) will not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form; and (d) will adopt and implement reasonable procedures that Hyatt periodically specifies to prevent unauthorized use or disclosure of Confidential Information.

11.6 **Guest Information.** All Guest Information is Hyatt's property and part of Confidential Information. Hyatt has the right from time to time during the Term, without notice to Franchisee, to access the Hotel's property management system and other computer systems to retrieve Guest Information. Hyatt and its Affiliates may use, and allow others to use, the Guest Information in any manner that Hyatt deems appropriate (subject to applicable law).

Franchisee may use the Guest Information, and certain other information and data relating to guests and customers of other Hyatt Regency Hotels and/or other Hyatt Network Hotels that Hyatt periodically specifies, during the Term only to market to and provide services to guests and potential guests of the Hotel in accordance with the System Standards and all applicable laws, rules and regulations. Franchisee must ensure that its Affiliates may not access, and neither Franchisee nor any of its Affiliates may use, any such Guest Information or such other information and data in any other business or capacity. However, following the expiration or termination of this Agreement, Franchisee may use, and allow its Affiliates and others to use, any Guest Information that was generated at the Hotel (and not supplied to the Hotel by Hyatt or its Affiliate) during the guest's stay at the Hotel and stored in the Hotel's property management system database in any manner that Franchisee deems appropriate (subject to applicable law) at Franchisee's own risk, provided that Franchisee complies, and ensures that any recipients of that Guest Information from Franchisee (whether directly or indirectly) comply, with Hyatt's then current policies and procedures regarding the collection, storage, use, processing and transfer of personal and/or financial data. If there is a Data Breach, Franchisee must notify Hyatt promptly and Hyatt may require Franchisee to use a third party supplier designated by Hyatt, at Franchisee's sole cost and expense, to review and if necessary, remediate such breach or unauthorized access. Franchisee shall not take any action that could jeopardize Hyatt's or its Affiliate's ability to comply with, or make certifications under, any law, regulation, contract, program or policy related to Guest Information (including Privacy Laws, privacy notices and PCI certifications) and applicable to Hyatt or such Affiliate.

11.7 **Innovations.** All Innovations must be promptly disclosed to Hyatt and will be deemed to be Hyatt's and its Affiliate's sole and exclusive property, part of the Hotel System, and works made-for-hire for Hyatt and its Affiliate. However, Franchisee may not use any Innovation in operating the Hotel or otherwise without Hyatt's prior written consent. If any Innovation does not qualify as a "work made-for-hire" for Hyatt and its Affiliate, by this paragraph Franchisee assigns ownership of that Innovation, and all related intellectual property rights and other rights to that Innovation, to Hyatt and agrees to take whatever action (including signing assignment or other documents) that Hyatt requests to evidence its ownership or to help Hyatt obtain intellectual property rights in the Innovation.

11.8 **Hotel IP.** Franchisee hereby grants Hyatt and its Affiliates the right to use the Hotel IP in connection with the marketing, promotion, and publicity of the Hotel, the Proprietary Marks, other Hyatt Regency Hotels, Hyatt Network Hotels, and Hyatt's loyalty program(s), and otherwise to perform Hyatt's obligations under this Agreement, including use of the Hotel IP in connection with the CRS, the Hotel System Website, and any other media, technology or device now known or hereafter developed, without further authorization from or remuneration to Franchisee. As part of this license, Hyatt and its Affiliates have the right to use, copy, publish, distribute, and license others to use the Hotel IP, as needed, and may alter, retouch, crop or use in composite form the Hotel IP, in any way. Franchisee represents and warrants that Franchisee owns

or has all valid rights to use the Hotel IP and that use of the Hotel IP by Hyatt and its Affiliates as permitted hereunder will not violate the rights of any third party.

ARTICLE XII

OWNERSHIP OF FRANCHISEE AND TRANSFER

12.1 Ownership of Franchisee and Guarantors.

(a) **Franchisee's Owners.** Franchisee represents and warrants that: (a) Exhibit G completely and accurately identifies all Owners (other than any Limited Interest Owner) and describes their ownership interests (whether direct or indirect) in Franchisee; and (b) none of Franchisee's Owners (other than a Public Owner) is a Sanctioned Person. Without limiting Hyatt's rights or Franchisee's obligations under this ARTICLE XII, upon Hyatt's reasonable request, Franchisee agrees to provide Hyatt information about the identity of the Owners (other than a Public Owner) and their ownership interests (whether direct or indirect) in Franchisee from time to time using the forms and formats that Hyatt reasonably specifies.

(b) **Guaranty.** Franchisee must ensure that one or more of the Controlling Owners which Hyatt specifies as of the Effective Date signs Hyatt's Guaranty and Assumption of Obligations (the "**Guaranty**"), the current form of which is attached as Exhibit H. Franchisee represents and warrants that at least one Guarantor satisfies the Guarantor Monetary Threshold as of the Effective Date, and Franchisee agrees to ensure that at least one Guarantor continues to satisfy the Guarantor Monetary Threshold (as it may be increased in accordance with Exhibit B) at all times during the Term. Franchisee agrees to, and shall cause its Guarantors to, reasonably cooperate with Hyatt in connection with all auditing and reporting requirements that Hyatt reasonably specifies relating to the Guarantor Monetary Threshold.

12.2 **Transfer by Franchisee – Defined.** Franchisee acknowledges that the rights and duties this Agreement creates are personal to Franchisee and its Controlling Owners and that Hyatt has granted Franchisee the rights under this Agreement in reliance upon Hyatt's perceptions of Franchisee's and its Controlling Owners' collective character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, unless otherwise specified in this ARTICLE XII, neither this Agreement (or any interest in this Agreement), the Hotel or substantially all of its assets, nor any ownership interest in Franchisee or any Owner (if such Owner is a legal entity) may be transferred (as defined in Exhibit A) without complying with the terms and conditions applicable to such transfer in this ARTICLE XII. A transfer of the Hotel's ownership, possession, or control, or substantially all of its assets, may be made only with a transfer of this Agreement. Any transfer without complying with the terms and conditions applicable to such transfer in this ARTICLE XII, including Hyatt's approval (where such approval is required under this Agreement), is a breach of this Agreement.

12.3 **Non-Control Transfers.** Subject to the other provisions of this ARTICLE XII, Franchisee and/or any of its Owners may consummate any Non-Control Transfers, without seeking or receiving Hyatt's consent, if (a) neither the proposed transferee nor any of its direct and indirect

owners (if the transferee is a legal entity), other than a Public Owner, is a Brand Owner or Sanctioned Person; and (b) such transfer does not, whether in one transaction or a series of related transactions (regardless of the time period over which these transactions take place), result in the transfer or creation of a direct or indirect Controlling Ownership Interest in Franchisee. Within thirty (30) days after the effective date of any Non-Control Transfer (other than transfers among then-existing Owners), Franchisee shall provide Hyatt an updated Exhibit G (if the previously effective version of Exhibit G has changed) or such other information as Hyatt reasonably requests from time to time concerning any new Non-Controlling Owners (other than Limited Interest Owners).

12.4 **Control Transfers.** Franchisee must notify Hyatt in writing at least ten (10) days in advance of Franchisee's listing the Hotel or a direct or indirect Controlling Ownership Interest in Franchisee for sale and promptly send Hyatt all information that Hyatt reasonably requests regarding any proposed sale. In connection with any proposed Control Transfer, Franchisee must submit to Hyatt, on behalf of the proposed transferee, a complete application for a new franchise agreement (the "**Change of Ownership Application**"), accompanied by payment of Hyatt's then current application fee (although no such fee is due if the transfer is to the spouse, child, parent, or sibling of the Owner(s) or from one individual or entity who is an Owner as of the Effective Date to another individual or entity who is an Owner as of the Effective Date) and information concerning any proposed replacement Guarantor. If Hyatt does not approve the Change of Ownership Application and consent to the proposed Control Transfer, Hyatt will refund any application fee paid, less Seven Thousand Five Hundred Dollars (\$7,500) for processing costs. Hyatt will process the Change of Ownership Application according to this Section 12.4 and its then current procedures. Hyatt has sixty (60) days from its receipt of the completed and signed Change of Ownership Application to consent or withhold its consent to the proposed Control Transfer. No Control Transfer may occur without Hyatt's prior written consent.

If Franchisee (and each of its Guarantors) is complying with this Agreement, then, subject to the other provisions of this ARTICLE XII, Hyatt will not unreasonably withhold its approval of a Control Transfer if all of the following conditions are met before or concurrently with the effective date of the Control Transfer:

(a) the transferee and each of its direct and indirect owners (if the transferee is a legal entity) has, in Hyatt's judgment, the necessary business experience, aptitude, and financial resources to operate the Hotel and meets Hyatt's then applicable standards for Hyatt Regency Hotel franchisees;

(b) Franchisee has paid all amounts owed to Hyatt, its Affiliates and third party vendors, and has not violated any provision of this Agreement or any other agreement with Hyatt or its Affiliate, in each case during both the sixty (60)-day period before Franchisee requested Hyatt's consent to the transfer and the period between Franchisee's request and the effective date of the transfer;

(c) the transferee's general manager and other Hotel management personnel that Hyatt specifies, if different from the Hotel's general manager and management personnel, satisfactorily complete Hyatt's required brand standard training programs;

(d) the transferee and its owners (if the transfer is of this Agreement), or Franchisee and its Owners (if the transfer is of a Controlling Ownership Interest in Franchisee or one of its Controlling Owners), at Hyatt's option, either sign: (i) Hyatt's then current form of franchise agreement and related documents for use with existing Hyatt Regency Hotels (including guarantees and assumptions of obligations), any and all of the provisions of which may differ materially from any and all of those contained in this Agreement, including the Royalty Fee and System Services Charges, and the term of which franchise agreement will be, at Hyatt's option, either twenty (20) years or the remaining unexpired portion of the Term; or (ii) the agreements and related documents (including guarantees and assumptions of obligations) that Hyatt then specifies under which they assume (or confirm the continued effectiveness of) all of Franchisee's rights and obligations under this Agreement;

(e) Franchisee signs a Termination Agreement and Franchisee and all Guarantors sign all documents Hyatt requests evidencing their agreement to remain liable or assume liability for all obligations to Hyatt and its Affiliates existing before the effective date of the transfer;

(f) Hyatt has determined that Franchisee's or the transferee's (as applicable) capital structure, debt service and overall financial status following the transfer will not adversely affect the operation of the Hotel;

(g) the transferee (if the transfer is of this Agreement) or Franchisee (if the transfer is of a Controlling Ownership Interest in Franchisee or one of its Controlling Owners) agrees (regardless of cost) to renovate, remodel and/or expand the Hotel, which may include structural alterations, adding or replacing improvements and FF&E, and otherwise modifying the Hotel, as Hyatt requires to comply with the Hotel System and System Standards then applicable for new similarly situated Hyatt Regency Hotels, subject to Reasonable Deviations; and

(h) Franchisee (if Franchisee will no longer operate the Hotel) and its transferring Owners agree that they will not directly or indirectly at any time or in any manner use any Proprietary Mark, Copyrighted Materials or Confidential Information, except as otherwise permitted under any then effective agreement with Hyatt or its Affiliate.

Hyatt may review all information regarding the Hotel that Franchisee gives the proposed transferee, correct any information that Hyatt believes is inaccurate, and give the transferee copies of any reports that Franchisee has given Hyatt or Hyatt has made regarding the Hotel.

12.5 **Permitted Control Transfers.** Notwithstanding Section 12.4:

(a) any Controlling Owner may, without Hyatt's prior written consent and without complying with the other terms and conditions of Section 12.4, transfer its interest in Franchisee (or Franchisee's Controlling Owner) to any other entity in which such Controlling Owner owns (directly or indirectly) all of the ownership interests; and

(b) any Owner who is an individual may, without Hyatt's prior written consent and without complying with the other terms and conditions of Section 12.4, transfer that Owner's interest in Franchisee (or Franchisee's Owner) to a trust or other entity established for estate planning purposes, as long as that Owner is a trustee of, or otherwise controls the exercise of the rights in Franchisee (or Franchisee's Owner) held by, the trust or other entity, continues to comply with and ensures the trust's or other entity's compliance with the applicable provisions of this Agreement (if such Owner is a Guarantor), and notifies Hyatt in writing of the transfer at least ten (10) days prior to its anticipated effective date. Dissolution of or transfers from any trust or other entity described in this Section 12.5(b) are subject to all applicable terms and conditions of Section 12.3 or 12.4.

12.6 **Security Interests.** Franchisee's Owners may pledge their ownership interests in any Non-Controlling Owner to a Lender, without having to obtain Hyatt's prior approval. Franchisee may mortgage or otherwise grant a Security Interest in the Hotel and its assets (but not this Agreement) to a Lender, and Franchisee's Owners may pledge their ownership interests in Franchisee or any Controlling Owner to a Lender, without having to obtain Hyatt's prior approval and without complying with the other terms and conditions of Section 12.4, provided the Lender signs Hyatt's form of comfort letter pursuant to Section 2.7. Unless otherwise specified in any then effective comfort letter, the terms and conditions of this Agreement (including Section 12.3 or 12.4) apply to any foreclosure or other exercise of any rights or remedies with respect to any Security Interest.

12.7 **Transfers of Equity Interest Upon Death.** Upon the death or mental incompetency of a person with a Controlling Ownership Interest in Franchisee or one of its Controlling Owners, that person's executor, administrator, or personal representative ("**Representative**") must, within six (6) months after the date of death or mental incompetency, transfer the Owner's interest in Franchisee or the Controlling Owner to a third party, subject to Hyatt's approval and the conditions set forth in Section 12.4. In the case of a transfer by devise or inheritance, if the heirs or beneficiaries cannot meet the conditions of Section 12.4 within this six (6)-month period, the Representative will have nine (9) months from the date of death or mental incompetency to dispose of the interest, subject to Hyatt's approval and the conditions set forth in Section 12.4. Hyatt may terminate this Agreement if this required transfer fails to occur in compliance with this Agreement within the required timeframe.

12.8 **Public Offerings and Disclosures.**

(a) **Public Offering of Securities.** Notwithstanding Sections 12.3 and 12.4, neither Franchisee nor any Controlling Owner may offer any ownership interests or other securities in a public offering for which a registration statement must be filed with the Securities and Exchange Commission or any similar regulatory agency (whether within or outside the United States) having jurisdiction over the sale of securities.

(b) **Private Placement Offering Materials.** With respect to any private placement of ownership interests in Franchisee or any Owner, Franchisee agrees to submit all Offering Materials to Hyatt for its prior approval. No Offering Materials may imply or state (by use of the Proprietary Marks or otherwise) that Hyatt or its Affiliate is participating as an underwriter, issuer, or Franchisee's (or its Owner's) representative,

suggest that Hyatt or its Affiliate endorses the offering or agrees with any financial projections, or otherwise contain any information about Hyatt or its Affiliates, this Agreement, Hyatt's relationship with Franchisee or the network of Hyatt Regency Hotels or other Hyatt Network Hotels (other than the Hotel) that Hyatt disapproves. Hyatt's review and approval of the Offering Materials is not its endorsement of the offering or representation that Franchisee or its Owner is complying with applicable laws. Franchisee must pay Hyatt a non-refundable fee equal to Five Thousand Dollars (\$5,000) to review the proposed Offering Materials. Hyatt may require changes to the Offering Materials for the purposes specified above and has the right to request and receive a full indemnification from all participants in the offering before issuing Hyatt's consent.

12.9 **Non-Waiver of Claims.** Hyatt's consent to a transfer is not a representation of the fairness of the terms of any contract between Franchisee (or its Owners) and the transferee, a guarantee of the Hotel's or transferee's prospects of success, or a waiver of any claims Hyatt has against Franchisee (or its Owners) or of Hyatt's right to demand the transferee's full compliance with this Agreement or any other agreement with Franchisee or the transferee.

12.10 **Transfer by Hyatt.** Franchisee represents that Franchisee has not signed this Agreement in reliance on any particular direct or indirect owner, officer or employee remaining with Hyatt in that capacity. Hyatt may change its ownership or form and/or assign this Agreement and any other agreement to a third party without restriction. After Hyatt's assignment of this Agreement to a third party who expressly assumes the obligations under this Agreement, Hyatt no longer will have any performance or other obligations under this Agreement. Such an assignment shall constitute a release of Hyatt and a novation with respect to this Agreement, and the assignee shall be liable to Franchisee as if it had been an original party to this Agreement.

ARTICLE XIII

SUCCESSOR FRANCHISE

13.1 **Right to a Successor Franchise Agreement.** When this Agreement expires, if Franchisee (and, as applicable, each Guarantor): (a) has substantially complied with this Agreement during its Term and is in full compliance with this Agreement (including all System Standards) as of the date upon which this Agreement expires; (b) then meets Hyatt's then applicable standards for franchisees and owners of franchisees of Hyatt Regency Hotels; (c) has received passing Quality Assurance Scores (as defined in the System Standards) on all evaluations conducted during the preceding three (3)-year period; and (d) has the right to maintain possession of the Hotel for at least ten (10) years following this Agreement's expiration, then Hyatt will offer Franchisee the right to enter into a successor franchise agreement to continue operating the Hotel as a Hyatt Regency Hotel for a term commencing immediately upon the expiration of this Agreement and expiring ten (10) years from that date (the "**Successor Franchise Right**") in accordance with this ARTICLE XIII. If Franchisee (or any Guarantor) does not meet the requirements of this Section 13.1, then Hyatt need not enter into a successor franchise agreement with Franchisee, whether or not Hyatt notified Franchisee of the non-compliance or had, or chose to exercise, the right to terminate this Agreement during its Term.

13.2 **Successor Franchise Notice and PIP.** Franchisee agrees to give Hyatt written notice of Franchisee's election to exercise or not to exercise the Successor Franchise Right no more than twenty-one (21) months, and no less than eighteen (18) months, before this Agreement expires. Simultaneously with submitting its notice to exercise the Successor Franchise Right, Franchisee shall pay Hyatt its then current PIP fee, which is non-refundable. Franchisee's failure to deliver such notice within such timeframe or to pay such PIP fee shall be deemed Franchisee's decision not to exercise the Successor Franchise Right. Within ninety (90) days after Hyatt receives Franchisee's notice and payment of the PIP fee, Hyatt agrees to notify Franchisee of Hyatt's decision either to:

(a) deny Franchisee's election to exercise the Successor Franchise Right based on the failure to satisfy the conditions in Section 13.1 (and Hyatt shall provide the reasons for its decision); or

(b) approve Franchisee's election to exercise Successor Franchise Right, subject to (i) Franchisee's renovating, remodeling and/or expanding the Hotel (which may include structural alterations), adding or replacing improvements and FF&E, and otherwise modifying the Hotel as Hyatt requires to comply with the Hotel System and System Standards then applicable for new similarly situated Hyatt Regency Hotels (subject to Reasonable Deviations), which must be completed to Hyatt's reasonable satisfaction before the Term expires in accordance with the PIP that Hyatt prepares (including the timeframes set forth therein); and (ii) Franchisee's (and each Guarantor's) continued compliance with the other provisions of this Agreement during the remaining Term.

13.3 **Agreements/Releases.** If Franchisee satisfies all of the other conditions for a successor franchise agreement under this ARTICLE XIII, Franchisee agrees to sign the form of franchise agreement and any ancillary agreements Hyatt then customarily uses in granting franchises for Hyatt Regency Hotels (modified as necessary to reflect the fact that it is for a successor franchise and that there will be no further renewal or successor franchise rights), which may contain provisions that differ materially from any and all of those contained in this Agreement, except that Hyatt will not charge a successor franchise fee. Franchisee and the Guarantors further agree to sign general releases, in a form satisfactory to Hyatt, of any and all claims against Hyatt and its Affiliates and its and their respective owners, officers, directors, managers, employees, agents, representatives, successors, and assigns.

ARTICLE XIV

DISPUTE RESOLUTION

14.1 **Arbitration.** All controversies, disputes, or claims between Hyatt (and/or its Related Parties) and Franchisee (and/or its Related Parties) arising out of or related to: (a) this Agreement or any other agreement between Franchisee and Hyatt or any of its Affiliates; (b) Hyatt's (or any of its Affiliates') relationship with Franchisee; (c) the scope or validity of this Agreement or any other agreement between Franchisee and Hyatt or any of its Affiliates, or any provision of any of those agreements (including the validity and scope of the arbitration obligation under this Section 14.1, which Hyatt and Franchisee acknowledge is to be determined by an arbitrator, not a court); or (d) any aspect of the Hotel System or any System Standard, must be

submitted for binding arbitration to the American Arbitration Association (the “AAA”). The arbitration proceedings will be conducted by one (1) arbitrator and, except as this Section 14.1 otherwise provides, according to the AAA’s then current commercial arbitration rules. The arbitrator must be a licensed attorney, have hotel industry experience, and be listed on the AAA’s National Roster of Neutrals (or such other equivalent replacement roster of experienced arbitrators that the AAA designates). All proceedings shall be conducted at a suitable location chosen by the arbitrator that is within ten (10) miles of Hyatt’s then current principal business address. The arbitrator shall have no authority to select a different hearing locale. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. Sections 1 et seq.) and not by any state arbitration law.

The arbitrator has the right to award any relief that he or she deems proper, including money damages (with interest on unpaid amounts from the date due, as well as post-award interest, in accordance with Section 6.5), specific performance, injunctive relief, and attorneys’ fees and costs, provided that the arbitrator may not declare any Proprietary Mark generic or otherwise invalid or, except as expressly provided in Section 14.5 below, award any punitive, exemplary, or treble or other forms of multiple damages against either party (Hyatt and Franchisee hereby waiving to the fullest extent permitted by law, except as expressly provided in Section 14.5 below, any right to or claim for any punitive, exemplary, and treble and other forms of multiple damages against the other). The award of the arbitrator shall be conclusive and binding upon all parties and judgment upon the award may be entered in any court of competent jurisdiction.

Hyatt and Franchisee agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier. Hyatt and Franchisee further agree that, in any arbitration proceeding, each must submit or file any claim that would constitute a compulsory counterclaim (as defined by the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any claim that is not submitted or filed as required is forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either Franchisee or Hyatt or any of their related parties.

Hyatt and Franchisee agree that arbitration will be conducted on an individual, not a class-wide, basis; that only Hyatt and Franchisee (and/or their respective Related Parties, as applicable) may be the parties to any arbitration proceedings described in this Section 14.1; and that an arbitration proceeding between Hyatt and Franchisee (and/or their respective Related Parties) may not be consolidated with any other arbitration proceeding between Hyatt and any other person or entity. Notwithstanding the foregoing or anything to the contrary in this Section 14.1 or Section 18.2, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Section 14.1, then all parties agree that this arbitration clause shall not apply to that dispute and that such dispute shall be resolved in a judicial proceeding in accordance with this ARTICLE XIV (excluding this Section 14.1).

Despite this Section 14.1, Hyatt and Franchisee each have the right to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction; provided, however, that Hyatt and Franchisee must contemporaneously submit the dispute for arbitration on the merits as provided in this Section 14.1. The provisions of this

Section 14.1 are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

14.2 **Governing Law.** All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. Sections 1 et seq.). Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law, this Agreement, the franchise, and all claims arising from the relationship between Hyatt (and/or any of its Affiliates) and Franchisee will be governed by the laws of the State of Illinois, without regard to its conflict of laws rules, except that any Illinois law regulating the offer or sale of franchises, business opportunities, or similar interests, or governing the relationship between a franchisor and a franchisee or any similar relationship, will not apply unless its jurisdictional requirements are met independently without reference to this Section 14.2.

14.3 **Consent to Jurisdiction.** Subject to the parties' arbitration obligations and the provisions below, Franchisee agrees that all actions arising under this Agreement or otherwise as a result of the relationship between Franchisee and Hyatt (and/or any of its Affiliates) must be commenced in the state or federal court of general jurisdiction closest to Hyatt's then current principal business address, and Franchisee irrevocably submits to the jurisdiction of those courts and waives any objection it might have to either the jurisdiction of or venue in those courts. Nonetheless, Franchisee agrees that Hyatt may enforce this Agreement and any arbitration orders and awards in the courts of the state or states in which Franchisee is domiciled or the Hotel is located.

14.4 **Attorneys' Fees.** If either party initiates a formal legal proceeding under or relating to this Agreement or the relationship between Franchisee and Hyatt (and/or any of its Affiliates), the non-prevailing party in that proceeding (as determined by the judge or arbitrator, as applicable) must reimburse the prevailing party for all of the prevailing party's costs and expenses that it incurs, including reasonable accounting, attorneys', arbitrators', and related fees.

14.5 **Waiver Of Punitive Damages And Jury Trial.** EXCEPT FOR THE INDEMNIFICATION OBLIGATIONS FOR THIRD PARTY CLAIMS UNDER SECTIONS 8.3 AND 8.4, AND EXCEPT FOR PUNITIVE, EXEMPLARY, AND TREBLE AND OTHER FORMS OF MULTIPLE DAMAGES AVAILABLE TO EITHER PARTY UNDER FEDERAL LAW, HYATT AND FRANCHISEE WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, AND TREBLE AND OTHER FORMS OF MULTIPLE DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN HYATT AND FRANCHISEE, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES (INCLUDING LIQUIDATED DAMAGES) IT SUSTAINS.

SUBJECT TO THE PARTIES' ARBITRATION OBLIGATIONS, HYATT AND FRANCHISEE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER HYATT OR FRANCHISEE.

14.6 **Limitations of Claims.** EXCEPT FOR CLAIMS ARISING FROM FRANCHISEE'S NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS FRANCHISEE OWES HYATT OR ANY OF ITS AFFILIATES, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR HYATT'S (OR ANY OF ITS AFFILIATES') RELATIONSHIP WITH FRANCHISEE WILL BE BARRED UNLESS A LEGAL PROCEEDING (IN THE REQUIRED OR PERMITTED FORUM) IS COMMENCED WITHIN EIGHTEEN (18) MONTHS FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS.

ARTICLE XV

DEFAULT AND TERMINATION

15.1 **Termination by Hyatt After Opportunity to Cure.** Hyatt has the right to terminate this Agreement, effective on the date stated in Hyatt's written notice (or the earliest date permitted by applicable law), if:

(a) Hyatt determines that a serious threat or danger to public health or safety results from the construction, maintenance, or operation of the Hotel, such that an immediate shutdown of the Hotel or construction site is necessary to avoid a substantial liability or loss of goodwill to the Hotel System, and Franchisee fails to shut down the Hotel or construction site within twenty-four (24) hours after delivery of Hyatt's written notice to Franchisee;

(b) Franchisee fails to pay Hyatt or any of its Affiliates any fees or other amounts due under this Agreement or any other agreement and does not cure that default within ten (10) days after delivery of Hyatt's written notice of default to Franchisee;

(c) Franchisee does not buy, maintain, or send Hyatt evidence of required insurance coverage and does not cure that default within ten (10) days after delivery of Hyatt's written notice of default to Franchisee;

(d) Franchisee fails to pay when due any financial obligation to a Provider or otherwise fails to comply with any other provision of this Agreement, any aspect of the Hotel System or any System Standard, and does not cure that default within thirty (30) days after delivery of Hyatt's written notice of default to Franchisee;

(e) Franchisee fails to comply with any other agreement with Hyatt or its Affiliates relating to the Hotel and does not cure that default within thirty (30) days (or such shorter time period that the other agreement specifies for curing that default) after delivery of Hyatt's written notice of default to Franchisee; or

(f) Franchisee fails to ensure that at least one Guarantor satisfies the Guarantor Monetary Threshold and does not cure that default (by providing the financial statements demonstrating that at least one Guarantor then satisfies the Guarantor Monetary Threshold) within sixty (60) days after delivery of Hyatt's written notice of default to Franchisee.

15.2 **Termination by Hyatt Without Opportunity to Cure.** Hyatt may terminate this Agreement immediately, without giving Franchisee an opportunity to cure the default, effective upon delivery of written notice to Franchisee (or such later date as required by law), if:

(a) Franchisee or any Guarantor admits its inability to pay its debts as they become due or makes a general assignment for the benefit of creditors; suffers an action to dissolve or liquidate; commences or consents to any case, proceeding, or action seeking reorganization, arrangement, adjustment, liquidation, dissolution, or composition of debts under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors; suffers an appointment of a receiver, trustee, custodian, or other official for any portion of its property or the Hotel; takes any corporate or other action to authorize any of the actions set forth above in this Section 15.2(a); has any case, proceeding, or other action commenced against it as debtor seeking an order for relief, 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 official for it or any portion of its property or the Hotel, and such case, proceeding, or other action results in an order for relief against it that is not fully stayed within seven (7) business days after being entered or remains un-dismissed for forty-five (45) days; has an attachment of Fifty Thousand Dollars (\$50,000) or more on all or any part of the Hotel or any of its assets that remains for at least ninety (90) days; or fails, within sixty (60) days after the entry of a final judgment against it in any amount exceeding One Hundred Thousand Dollars (\$100,000), to discharge, vacate, or reverse the judgment, to stay its execution, or, if appealed, to discharge the judgment within thirty (30) days after a final adverse decision in the appeal;

(b) Franchisee ceases operating the Hotel at the Site under the Proprietary Marks, fails to identify the Hotel to the public as a Hyatt Regency Hotel, or loses possession of or the right to possess all or a significant part of the Hotel, for any reason except as otherwise provided in this Agreement;

(c) Franchisee or any of its Affiliates contests in any court or other Proceeding Hyatt's or its Affiliate's ownership of all or any portion of the Hotel System or the validity of any Proprietary Mark, Copyrighted Materials, or Confidential Information, or registers or attempts to register any Proprietary Mark or a derivative thereof;

(d) Franchisee (or any of its Owners) makes a transfer in violation of ARTICLE XII;

(e) Franchisee or any of its Owners or Guarantors is, or is discovered to have been, convicted of a felony or enters or is discovered to have entered a plea of no contest to a felony, unless (i) the Owner is a Limited Interest Owner; and (ii) such Owner divests all of such Owner's direct and indirect ownership interests in Franchisee within sixty (60) days after the date of the conviction or plea;

(f) Franchisee or any of its Owners or Guarantors commits (or is discovered to have committed) any action or any other offense likely in Hyatt's reasonable opinion to reflect materially adversely upon Hyatt, its Affiliates, the Hotel System, or the Proprietary

Marks, unless (i) the Owner is a Limited Interest Owner; and (ii) such Owner divests all of such Owner's direct and indirect ownership interests in Franchisee within sixty (60) days after notice from Hyatt;

(g) Franchisee knowingly maintains false books and records of account or knowingly submits false or misleading reports or information to Hyatt or its Affiliate, including any information Franchisee provided or failed to provide on its franchise application;

(h) Franchisee (or any of its Owners) knowingly makes any unauthorized use or disclosure of any part of the System Standards or any other Confidential Information;

(i) Franchisee violates any law, ordinance, or regulation and does not begin to cure the violation immediately after receiving notice from Hyatt or any other party and to complete the cure as soon as is reasonably practicable or within the timeframe allowed by law, whichever is shorter;

(j) Franchisee (1) fails on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with this Agreement, whether the failures relate to the same or different obligations under this Agreement and whether or not Hyatt provides formal written notice to Franchisee of or Franchisee corrects the failures; or (2) fails on two (2) or more separate occasions within any six (6) consecutive month period to comply with the same obligation under this Agreement, whether or not Hyatt provides formal written notice to Franchisee of or Franchisee corrects the failures; or

(k) Franchisee's or any of its Owners' (other than a Public Owner's) assets, property, or interests are blocked under any Trade Restriction Law, or Franchisee or any of its Owners (other than a Public Owner) otherwise violate any Trade Restriction Law.

15.3 Suspension of Rights and Services. Upon Franchisee's failure to remedy any default or failure to comply with this Agreement specified in any written notice issued to Franchisee under Section 15.1 (following any cure period specified for such default or failure in Section 15.1) or Section 15.2, Hyatt has the right, until Franchisee remedies such default or failure to Hyatt's satisfaction, to (a) suspend Franchisee's right to use, and Franchisee's access to, the CRS, the GDS and ADS, and/or other System Services; (b) remove the Hotel from Hyatt's advertising publications and programs and/or remove the Hotel's webpage from the Hotel System Website; (c) suspend or terminate any temporary or other fee reductions to which Hyatt might have agreed in this Agreement or any amendment(s) to this Agreement; and/or (d) refuse to provide any operational support that this Agreement otherwise requires. If Hyatt suspends Franchisee from the CRS, Hyatt has the right to divert reservations previously made for the Hotel to other Hyatt Regency Hotels or Hyatt Network Hotels. If Hyatt exercises its right to suspend Franchisee's access to the CRS or other System Services, such suspension will last no more than six (6) months, after which time Hyatt shall either reinstate Franchisee's access or terminate this Agreement. Hyatt's exercise of this right will not constitute an actual or constructive termination of this Agreement nor be Hyatt's sole and exclusive remedy for Franchisee's default or failure to comply with this Agreement. If Hyatt exercises its right not to terminate this Agreement but to implement any remedies in this Section 15.3, Hyatt may at any time after the appropriate cure period under

the written notice has lapsed (if any) terminate this Agreement without giving Franchisee any additional corrective or cure period. During any suspension period, Franchisee must continue to pay all fees and other amounts due under, and otherwise comply with, this Agreement and all related agreements. Hyatt's exercise of its rights under this Section 15.3 will not be a waiver by Hyatt of any breach of this Agreement. If Hyatt rescinds any suspension of Franchisee's rights, Franchisee will not be entitled to any compensation for any fees, expenses or losses Franchisee might have incurred due to Hyatt's exercise of any suspension right provided in this Section 15.3.

15.4 **General Provisions Concerning Default and Termination.** In any arbitration or other proceeding in which the validity of any termination of this Agreement or Hyatt's refusal to enter into a successor franchise agreement is contested, each party may cite to and rely upon all defaults or violations of this Agreement, not only the defaults or violations referenced in any written notice. Franchisee agrees that Hyatt has the right and authority (but not the obligation) to notify Franchisee's Lender and any or all of Franchisee's Owners, creditors and/or suppliers if Franchisee is in default under, or Hyatt has terminated, this Agreement.

ARTICLE XVI

RIGHTS AND OBLIGATIONS UPON EXPIRATION OR TERMINATION

16.1 **De-Identification.** Beginning on the date upon which this Agreement terminates or expires, Franchisee must immediately cease using the Hotel System and begin to de-identify the Hotel by taking whatever action Hyatt deems necessary to ensure that the Hotel no longer is identified as a Hyatt Regency Hotel. Franchisee agrees to take the following steps, among other actions that Hyatt then specifies, to de-identify the Hotel:

(a) return to Hyatt Copyrighted Materials, and all materials containing Confidential Information (other than Guest Information stored in the Hotel's property management system database that Franchisee is permitted to use after this Agreement's expiration or termination pursuant to Section 11.6) or bearing any of the Proprietary Marks, and cease using all such items;

(b) remove all structures and items identifying the Hotel System, including all elements of the trade dress and other distinctive features, devices, and/or items associated with the Hotel System, such as (for example) FF&E that is uniquely identified with a Hyatt Regency Hotel and/or other Hyatt Network Hotels, interior signage, phone face plates, memo pads, pens, cups, glasses, and all other materials bearing one or more of the Proprietary Marks. With respect to the Hotel's exterior signage, Franchisee must (i) immediately schedule the permanent removal of all exterior signage bearing any of the Proprietary Marks and give Hyatt written evidence of that schedule, (ii) immediately cover all exterior signage in a professional manner, and (iii) permanently remove all exterior signage within thirty (30) days after this Agreement expires or terminates. In addition, Franchisee must make at its expense such specific additional changes that Hyatt reasonably requests to de-identify the Hotel;

(c) stop all uses of the Proprietary Marks, Confidential Information and other aspects of the Hotel System in connection with any F&B Operations or Spa Operations;

(d) change the Hotel's telephone listing and immediately stop answering the telephone in any way that would lead a current or prospective customer, vendor, or other person to believe that the Hotel still is associated with the Hyatt Regency Hotel network or Hyatt;

(e) stop all uses of the Proprietary Marks on any Franchisee Organization Website and require all third party websites to remove any references that directly or indirectly associate the Hotel with the Proprietary Marks;

(f) cancel all fictitious, assumed, or other business name registrations relating to Franchisee's use of the Proprietary Marks; and

(g) permit Hyatt's representatives to enter the Hotel on no less than twenty-four (24) hours' prior notice to conduct inspections on a periodic basis until de-identification is completed to Hyatt's satisfaction.

Beginning on the date upon which this Agreement terminates or expires and continuing until de-identification is completed to Hyatt's satisfaction, Franchisee must maintain a conspicuous sign at the registration desk in a form that Hyatt specifies stating that the Hotel no longer is associated with the Hyatt Regency Hotel network. Franchisee and its Affiliates may not, without Hyatt's permission, represent to Hotel customers, prospective customers or the public that the Hotel is or was a Hyatt Regency Hotel, or otherwise hold itself out to the public as a former franchisee of Hyatt's or as the former operator of a Hyatt Regency Hotel, except in the limited case of informing investors, prospective investors, or lenders that Franchisee has general experience in operating a Hyatt Regency Hotel. Subject to the terms of Subsection (b) above with respect to exterior signage, Franchisee shall complete all de-identification obligations under this Section 16.1 to Hyatt's satisfaction, and provide a written certification to Hyatt indicating such completion, on or before the date which is fifteen (15) days after this Agreement terminates or expires. If Franchisee fails to comply with any of the de-identification provisions in this Section 16.1, Franchisee agrees to: (i) pay Hyatt a royalty fee of Five Thousand Dollars (\$5,000) per day until de-identification is completed to Hyatt's satisfaction; and (ii) permit Hyatt's representatives to enter the Hotel to complete the de-identification process at Franchisee's expense.

16.2 **Pay Amounts Owed.** Unless otherwise provided in this Agreement, within five (5) days after the termination or expiration of this Agreement, Franchisee must pay all amounts owed to Hyatt and its Affiliates under this Agreement or any other agreement.

16.3 **Contacting Customers.** Upon this Agreement's termination or expiration for any reason, Hyatt has the right to contact those individuals or entities who have reserved rooms with Franchisee through the CRS, and any other Hotel customers, and inform them that Franchisee's lodging facility no longer is part of the Hyatt Regency Hotel network. Hyatt also has the right to inform those individuals, entities and customers of other Hyatt Regency Hotels and Hyatt Network Hotels that are proximately located to Franchisee's lodging facility in case they prefer to change their reservations so that they can stay at a Hyatt Network Hotel. Hyatt's exercise of these rights will not constitute an interference with Franchisee's contractual or business relationships. Franchisee acknowledges that the individuals and entities that made reservations with Franchisee's

lodging facility when it was a Hyatt Regency Hotel under this Agreement constitute Hyatt's customers.

16.4 **Survival**. The following provisions of this Agreement shall survive termination or expiration of this Agreement regardless of the circumstances: Sections 6.5, 6.7, 7.4, 8.1, 8.3, 8.4, 11.1, 11.5, 11.6, 11.7 and 15.4 and ARTICLE IX, ARTICLE XIV, ARTICLE XVI, ARTICLE XVII and ARTICLE XVIII. Additionally, all of Hyatt's and Franchisee's obligations that by their terms or by implication are to be performed after the termination or expiration of the Term shall survive such termination or expiration.

16.5 **Liquidated Damages**. Franchisee acknowledges and confirms that Hyatt will suffer substantial damages as a result of the termination of this Agreement before the Term expires, including Brand Damages. Hyatt and Franchisee acknowledge that Brand Damages are difficult to estimate accurately and proof of Brand Damages would be burdensome and costly, although such damages are real and meaningful to Hyatt. Therefore, upon termination of this Agreement before the Term expires for any reason (subject to ARTICLE X), Franchisee agrees to pay Hyatt, within fifteen (15) days after the date of such termination, liquidated damages in a lump sum equal to (a) the lesser of sixty (60) or the number of months then remaining in this Agreement's term had it not been terminated, multiplied by (b) the sum of (i) the Average Monthly Revenue (for Gross Rooms Revenue) times nine percent (9%), plus (ii) the Average Monthly Revenue (for Gross F&B Revenue) times three percent (3%), plus (iii) the number of guest rooms at the Hotel multiplied by the Monthly Room Multiplier.

Notwithstanding the foregoing, if this Agreement is terminated because of a Consequential Termination, then the liquidated damages are one hundred fifty percent (150%) of the amount calculated in the preceding paragraph.

Franchisee agrees that the liquidated damages calculated under this Section 16.5 represent the best estimate of Hyatt's Brand Damages arising from any termination of this Agreement before the Term expires. Franchisee's payment of the liquidated damages to Hyatt will not be considered a penalty but, rather, a reasonable estimate of fair compensation to Hyatt for the Brand Damages Hyatt will incur because this Agreement did not continue for the Term's full length. Franchisee acknowledges that Franchisee's payment of liquidated damages is full compensation to Hyatt only for the Brand Damages resulting from the early termination of this Agreement and is in addition to, and not in lieu of, Franchisee's obligations to pay other amounts due to Hyatt under this Agreement as of the date of termination and to comply strictly with the de-identification procedures of Section 16.1 and Franchisee's other post-termination obligations. If any valid law or regulation governing this Agreement limits Franchisee's obligation to pay, and/or Hyatt's right to receive, the liquidated damages for which Franchisee is obligated under this Section 16.5, then Franchisee shall be liable to Hyatt for any and all Brand Damages Hyatt incurs, now or in the future, as a result of Franchisee's breach of this Agreement.

16.6 **System Services**. Beginning on the date that this Agreement terminates or expires, Hyatt and its Affiliates shall stop providing System Services to the Hotel.

ARTICLE XVII

NOTICES

All written notices, reports, and payments permitted or required to be delivered by this Agreement or the System Standards will be deemed to be delivered (whether or not delivery is accepted): (a) at the time delivered by hand; (b) at the time delivered via computer transmission if the sender has confirmation of a successful transmission, and, in the case of the Royalty Fees, System Services Charges, and other amounts due, at the time Hyatt actually receives payment via EFT; (c) one (1) business day after transmission by email or other electronic system if the sender has confirmation of successful transmission; (d) one (1) business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery; or (e) three (3) business days after placement in the United States Mail by Certified Mail, Return Receipt Requested, postage prepaid. Either Hyatt or Franchisee may change the person and/or address for notice by giving thirty (30) days' prior notice to the other party by any of the means specified in subparagraphs (a) through (e) above.

Notices to Hyatt Franchising, L.L.C.
Hyatt: 150 North Riverside Plaza
Chicago, Illinois 60606
Attention: General Counsel
Fax: () _____
E-mail:
office.of.general.counsel@hyatt.com

Notices to [ENTITYNAMECAPS]
Franchisee : [PCADDRESS1]
[PCADDRESS2]
Attention: [PCNAME]
Fax: () _____
E-mail: _____

ARTICLE XVIII

GENERAL

18.1 **The Exercise of Hyatt’s Judgment.** Hyatt has the right from time to time to develop, operate, and change the Hotel System and System Standards in any manner not specifically prohibited by this Agreement. Whenever Hyatt has reserved in this Agreement a right to take or to withhold an action, or to grant or decline to grant Franchisee the right to take or omit an action, Hyatt may, except as otherwise specifically provided in this Agreement, make its decision or exercise its rights based on information readily available to it and its judgment of what is in the best interests of Hyatt and its Affiliates, the Hyatt Regency Hotel network generally, or the Hotel System at the time its decision is made, without regard to whether Hyatt could have made other reasonable or even arguably preferable alternative decisions or whether its decision promotes Hyatt’s (or its Affiliates’) financial or other individual interest. Except where this Agreement expressly obligates Hyatt reasonably to approve or not unreasonably to withhold its approval of any of Franchisee’s actions or requests, Hyatt has the absolute right to refuse any request Franchisee makes or to withhold its approval of any of Franchisee’s proposed, initiated, or completed actions that require its approval. However, Hyatt may withhold its consent, whenever and wherever otherwise required, if Franchisee is in default under this Agreement.

18.2 **Severability and Interpretation.** Except as expressly provided to the contrary in this Agreement (including in Section 14.1), each section, subsection, paragraph, term, and

provision of this Agreement is severable, and if, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency, or tribunal with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties. If any applicable and binding law or rule of any jurisdiction requires more notice than this Agreement requires of this Agreement's termination or of Hyatt's refusal to offer Franchisee the Successor Franchise Right, or some other action that this Agreement does not require, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any System Standard is invalid, unenforceable, or unlawful, the notice and/or other action required by the law or rule will be substituted for the comparable provisions of this Agreement, and Hyatt may modify the invalid or unenforceable provision or System Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. Franchisee agrees to be bound by any promise or covenant imposing the maximum duty the law permits that is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

18.3 Waiver of Obligations and Force Majeure. Hyatt and Franchisee may unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement only by a signed written instrument, effective upon delivery of written notice to the other or another effective date stated in the notice of waiver. Any waiver granted will be without prejudice to any other rights Hyatt or Franchisee have, will be subject to continuing review, and may be revoked at any time and for any reason effective upon delivery of ten (10) days' prior written notice.

Hyatt and Franchisee will not waive or impair any right, power, or option this Agreement reserves (including Hyatt's right to demand compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before the Term expires) because of any custom or practice that varies from this Agreement's terms; Hyatt's or Franchisee's failure, refusal, or neglect to exercise any right under this Agreement or to insist upon the other's compliance with this Agreement, including any System Standard; Hyatt's waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other Hyatt Regency Hotels; the existence of franchise agreements for other Hyatt Regency Hotels that contain provisions differing from those contained in this Agreement; or Hyatt's acceptance of any payments due from Franchisee after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to either party will be a waiver, compromise, settlement, or accord and satisfaction. The receiving party is authorized to remove any legend or endorsement, and it will have no effect.

Neither Hyatt nor Franchisee will be liable for loss or damage or be in breach of this Agreement, including Franchisee's obligations to develop and open the Hotel under ARTICLE II, if Hyatt's or Franchisee's failure to perform its obligations results from Force Majeure. Any delay resulting from Force Majeure will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that Force Majeure will not excuse payments of amounts owed at the time of the occurrence or payment of Royalty Fees, System Services Charges or other payments due afterward.

18.4 **Binding Effect.** This Agreement is valid and enforceable only when signed by Franchisee and signed and accepted by Hyatt at its office in Chicago, Illinois, whether signed by original or electronic signature. This Agreement may be executed in one or more counterparts, which, when taken as a whole, shall constitute a single agreement.

18.5 **Entire Agreement and Construction.** This Agreement is binding upon Hyatt and Franchisee and their respective permitted assigns and successors in interest. Subject to Hyatt's right to modify the Hotel System, System Standards, System Services and System Services Charges (including the methods of allocating costs for System Services), from time to time, this Agreement may not be modified except by a written agreement signed by both Hyatt's and Franchisee's duly-authorized officers. The Preliminary Statement and Exhibits, the attached PIP (if applicable), any state-specific Rider to this Agreement signed by Hyatt and Franchisee at the same time as this Agreement, and the Franchise Application that Franchisee (or its Owner or Affiliate) submitted to Hyatt relating to the Hotel, are a part of this Agreement, which constitutes Hyatt's and Franchisee's entire agreement, and there are no other oral or written understandings or agreements between Hyatt and Franchisee, and no other oral or written representations by Hyatt, relating to the subject matter of this Agreement, the franchise relationship, or the Hotel (any understandings or agreements reached, or any representations made, before this Agreement are superseded by this Agreement). Franchisee may not rely on any alleged oral or written understandings, agreements, or representations not contained in this Agreement. Notwithstanding the foregoing, nothing in this Agreement or any related agreement shall disclaim or require Franchisee to waive reliance on any representation that Hyatt made in the most recent franchise disclosure document (including its exhibits and amendments) that Hyatt delivered to Franchisee or its representative.

Any policies that Hyatt adopts and implements from time to time to guide Hyatt in its decision-making are subject to change, are not a part of this Agreement, and are not binding on Hyatt. Except as expressly provided in this Agreement, nothing in this Agreement is intended or deemed to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

References in this Agreement to "Hyatt" with respect to all of Hyatt's rights and all of Franchisee's obligations to Hyatt under this Agreement include any of Hyatt's Affiliates, and its and their successors and assigns, with whom Franchisee deals. The headings in this Agreement are for convenience only and will not control or affect the meaning or construction of any provision. Time is of the essence in this Agreement, and all provisions of this Agreement shall be so interpreted.

18.6 **Cumulative Remedies.** Hyatt's and Franchisee's rights under this Agreement are cumulative, and their exercise or enforcement of any right or remedy under this Agreement will not preclude their exercise or enforcement of any other right or remedy that they are entitled by law to enforce.

ARTICLE XIX

ACKNOWLEDGEMENTS

To induce Hyatt to sign this Agreement and grant Franchisee the rights under this Agreement, Franchisee represents, warrants and acknowledges that:

(a) Franchisee has independently investigated and evaluated the opportunity of investing in the hotel industry generally and specifically the Hyatt Regency Hotel franchise opportunity, including the current and potential market conditions and competitive factors and risks, and recognizes that, like any other business, the nature of a Hyatt Regency Hotel's business will evolve and change over time.

(b) Hyatt's approval of the Site is not a guarantee or warranty, express or implied, of the success or profitability of a Hyatt Regency Hotel at that location;

(c) except as expressly set forth in the franchise disclosure document that Hyatt delivered to Franchisee or its representative, Franchisee has not received from Hyatt, and is not relying upon, and that Hyatt expressly disclaims making, any representation, warranty or guaranty, express or implied, as to the actual or potential volume, sales, income or profits of the Hotel or any other Hyatt Regency Hotel, and any information Franchisee has acquired from other Hyatt Regency Hotel owners, including information regarding their sales, profits or cash flows, is not information obtained from Hyatt, and Hyatt makes no representation about that information's accuracy.

(d) Franchisee has no knowledge of any representations made about the Hyatt Regency Hotel franchise opportunity by Hyatt, its Affiliates or any of their respective officers, directors, managers, owners or agents that are contrary to the statements made in Hyatt's franchise disclosure document or to the terms and conditions of this Agreement.

(e) it is relying solely on Hyatt, and not on any Affiliate of Hyatt, with regard to Hyatt's financial obligations under this Agreement, and no employee or other person speaking on behalf of, or otherwise representing, Hyatt has made any statement or promise to the effect that Hyatt's Affiliates guarantee Hyatt's performance or financially back Hyatt.

(f) all statements Franchisee has made and all materials (including ownership information and descriptions of Franchisee's and/or its Affiliates' ownership structure(s)) it has given Hyatt in acquiring the rights under this Agreement are accurate and complete and that Franchisee has made no misrepresentations or material omissions in obtaining those rights.

(g) Franchisee is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation, and Franchisee's execution and delivery of this Agreement and performance of its obligations hereunder (i) have been duly authorized by all necessary company action, (ii) do not and will not violate or result in a breach or default under any applicable law or any agreement to which Franchisee is a party or by which it is bound, and (iii) do not require the consent of any third party that has not been obtained.

(h) In accordance with an exemption available under the Federal Trade Commission's Trade Regulation Rule entitled "Disclosure Requirements and Prohibitions Concerning Franchising," 16 C.F.R. Section 436.8(a)(5)(ii), Franchisee, or its parent or any of its Affiliates, is an entity that has been in business for at least five (5) years and has a net worth of at least \$6,165,500.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have signed this Agreement as of the dates set forth by their signatures, to be effective as of the Effective Date (regardless of the dates of the parties' signatures).

FRANCHISEE:

[ENTITYNAMECAPS]

By: _____

Name: _____

Title: _____

Date: _____

HYATT FRANCHISING, L.L.C.

By: _____

Name: _____

Title: _____

[Signature Page to Franchise Agreement]

EXHIBIT A
to the
HYATT REGENCY HOTEL FRANCHISE AGREEMENT

DEFINED TERMS

In addition to any other terms defined in this Agreement, the following terms shall have the respective meanings as indicated below.

“**Accessibility Laws**” means the Americans with Disabilities Act and other laws, rules, regulations and ordinances governing accommodations for or relationships with persons with disabilities or similar individuals, as in effect from time to time.

“**ADS**” means the online travel agencies and other alternative distribution systems that Hyatt may periodically authorize or require for Franchisee’s Hotel and other similarly situated Hyatt Regency Hotels (subject to Reasonable Deviations).

“**Affiliate**” means, with respect to a party, any person or entity directly or indirectly owned or controlled by, under common control with, or owning or controlling, such party. For purposes of this definition, “**control**” means the power to direct or cause the direction of management and policies.

“**Anti-Corruption Laws**” means any laws, rules or regulations relating to anti-corruption, anti-bribery, anti-money laundering, or similar prohibited conduct or otherwise relating to the maintenance of accurate books and records and internal controls

“**Average Monthly Revenues**” means:

(i) if, as of the effective date of termination, at least thirty-six (36) months have elapsed since the Opening Date, the average monthly Gross Rooms Revenue (or Gross F&B Revenue, as applicable) of the Hotel during the twelve (12) full calendar months preceding the month of termination; or

(ii) if, as of the effective date of termination, the Opening Date has not yet occurred, the average monthly Gross Rooms Revenue (or Gross F&B Revenue, as applicable) per available guest room for all Hyatt Regency Hotels in the United States (including those that Hyatt and its Affiliates own, manage, and franchise) during the twelve (12) full calendar months preceding the month of termination, multiplied by the number of guest rooms approved for the Hotel; or

(iii) if, as of the effective date of termination, the Opening Date has occurred but less than thirty-six (36) months have elapsed since the Opening Date, either (a) the amount determined under part (ii) above or (b) the average monthly Gross Rooms Revenue (or Gross F&B Revenue, as applicable) of the Hotel during the period from the Opening Date until the effective date of termination, whichever of (a) or (b) is greater.

Notwithstanding the foregoing, if “Average Monthly Revenues” as determined pursuant to any part of (i) through (iii) above has been materially and negatively impacted during the

preceding twelve (12) full calendar month period by a disruption in Hotel operations resulting from Force Majeure, casualty, suspension of operations (whether or not consented to by Hyatt), renovation of the Hotel, or any other similar circumstances, “Average Monthly Revenue” shall be determined by reference to the most recent twelve (12) full calendar month period preceding termination, during which the Hotel performance was not so impacted.

“**Brand Damages**” means lost Royalty Fees, lost System Services Charges, lost market penetration and goodwill, loss of Hotel System representation in the Hotel’s market area, confusion of national accounts and individual customers, disadvantage in competing for national accounts and other types of bookings for Hyatt Regency Hotels, lost opportunity costs, and expenses that Hyatt will incur in developing or finding another franchisee to develop another Hyatt Regency Hotel in the Hotel’s market area.

“**Brand Owner**” means any entity that (a) is either a franchisor or owner of a Competing Brand (defined below), (b) manages or otherwise operates hotels exclusively for the franchisor or owner of a Competing Brand, or (c) is an Affiliate of any entity described in (a) or (b) above. A “**Competing Brand**” is a hotel concept that has at least five (5) hotels operating under that concept’s trade name anywhere in the world and that, in Hyatt’s reasonable opinion, competes with Hyatt Regency Hotels. For the avoidance of doubt, Franchisee shall not be deemed a Brand Owner under this Agreement merely because Franchisee’s Affiliates operate (as franchisees and/or managers) hotels of multiple Competing Brands.

“**Comfort Letter Party**” means each Lender, each Ground Lessor (if applicable), the owner of fee simple title to the Hotel’s real property or building and improvements (if Franchisee is not that owner), and each other entity with an interest (or any power or right, conditional or otherwise, to acquire an interest) in the Hotel’s real property or building and improvements.

“**Confidential Information**” means (a) site selection criteria; (b) the substance, design, and construction of Hyatt Regency Hotels and the Design and Construction Standards; (c) training and operations materials and manuals; (d) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating Hyatt Regency Hotels; (e) marketing, advertising and promotional programs for Hyatt Regency Hotels; (f) Guest Information and any information and data relating to guests and customers of other Hyatt Regency Hotels and/or other Hyatt Network Hotels; (g) knowledge of specifications for and suppliers of FF&E and other products and supplies that are uniquely identified with Hyatt Regency Hotels and/or other Hyatt Network Hotels; (h) any part of the Technology System and other computer software or other technology that is proprietary to Hyatt, its Affiliates or the Hotel System, including digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or other technology; (i) knowledge of the operating results and financial performance of Hyatt Regency Hotels other than the Hotel; (j) graphic designs and related intellectual property; and (k) any negotiated provisions of this Agreement (including any amendment to this Agreement) and any other difference between the terms of this Agreement (including any amendment to this Agreement) and the terms of the standard form of Franchise Agreement in the Hyatt Regency Hotel franchise disclosure document. However, Confidential Information does not include information, knowledge, or know-how that Franchisee can demonstrate lawfully came to its attention before Hyatt or its Affiliate provided it to Franchisee directly or indirectly; that, at the

time Hyatt or its Affiliate disclosed it to Franchisee, already had lawfully become generally known in the hotel industry through publication or communication by others (without violating an obligation to Hyatt or its Affiliate); or that, after Hyatt or its Affiliate disclose it to Franchisee, lawfully becomes generally known in the hotel industry through publication or communication by others (without violating an obligation to Hyatt or its Affiliate). If Hyatt includes any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that one of the exclusions provided in the preceding sentence is satisfied.

“Consequential Termination” means a termination of this Agreement if (a) such termination involves a transfer of the Hotel or its assets, or a Controlling Ownership Interest in Franchisee or its Controlling Owner, to a Competitor or (b) there are three (3) or more franchise agreements for Hyatt-Related Full Service Brand (defined below) hotels (including this Agreement) with Franchisee or its Affiliates that Hyatt (or its Affiliate) terminates because of Franchisee’s (or its Affiliate’s) default or Franchisee (or its Affiliate) terminates in breach of the agreement. For purposes of this definition, a **“Hyatt-Related Full Service Brand”** means any brand under which or in affiliation with which a full service Hyatt Network Hotel operates. For purposes of this definition, a **“Competitor”** is any entity that owns, franchises and/or manages, or is an affiliate of any entity that owns, franchises and/or manages, a full service (*i.e.*, typically offers to hotel guests three (3) meals per day) hotel brand, trade name or service mark for a system of at least four (4) hotels with an average daily room rate for all or substantially all of the hotels in the U.S. during the then most recent full calendar year that is at least sixty percent (60%) of the average daily room rate for Hyatt Regency Hotels.

“Control Transfer” means any transfer (as defined in Exhibit A) of (a) this Agreement (or any interest in this Agreement), (b) the Hotel or all or substantially all of its assets, (c) a Controlling Ownership Interest in Franchisee, whether in one transaction or a series of related transactions (regardless of the time period over which these transactions take place), or (d) a Controlling Ownership Interest in any Controlling Owner (if such Owner is a legal entity), whether in one transaction or a series of related transactions (regardless of the time period over which these transactions take place).

“Controlling Owner” means an individual or legal entity holding a direct or indirect Controlling Ownership Interest in Franchisee.

“Controlling Ownership Interest” in a legal entity means, whether directly or indirectly, either (a) the record or beneficial ownership of, or right to control, fifty percent (50%) or more of the investment capital, equity, rights to receive profits or losses, or other rights to participate in the results of the entity, or (b) the effective control of the power to direct or cause the direction of that entity’s management and policies, including a general partnership interest (with respect to an entity that is a partnership) and a manager or managing member interest (with respect to an entity that is a limited liability company), or the power to appoint or remove any such party. In the case of (a) or (b), the determination of whether a “Controlling Ownership Interest” exists is made both immediately before and immediately after a proposed transfer.

“Copyrighted Materials” means all copyrightable materials that Hyatt or its Affiliate periodically develops and Hyatt periodically designates for use in connection with the Hotel System, including the manuals, electronic media, marketing materials (including advertising,

marketing, promotional, and public relations materials), architectural drawings (including the Design and Construction Standards and all architectural plans, designs, and layouts such as, without limitation, site, floor, plumbing, lobby, electrical, and landscape plans), building designs, and business and marketing plans, whether or not registered with the U.S. Copyright Office.

“**Core Management**” means the general manager, rooms director, director of sales, engineering director, director of food and beverage, director of catering, and the executive chef for the Hotel.

“**CPI Increase**” means the amount to be adjusted multiplied by a fraction, the numerator of which is the Consumer Price Index for all Urban Consumers for All Items, as published by the U.S. Department of Labor, Bureau of Labor Statistics (the “**Base Index**”) as of the first day of the calendar month during which the increase is to take effect, and the denominator of which is the Base Index in effect on the Effective Date or used for the most recent increase (whichever is later). If the Base Index is no longer published, Hyatt may designate another reasonably comparable index for calculating changes in the cost of living or purchasing power for consumers.

“**CRS**” means the central reservations system and related services for Hyatt Regency Hotels, as Hyatt may periodically modify it.

“**Damage Threshold**” means the greater of (a) sixty percent (60%) of the market value of the Hotel immediately prior to the time of fire, flood, accident, hurricane or other casualty, or (b) the amount of insurance proceeds made available to Franchisee in connection with the casualty.

“**Data Breach**” means an actual or suspected breach of security or unauthorized access of Guest Information or other information from the Hotel’s property management system or other computer system database.

“**Design and Construction Standards**” means the standards that Hyatt periodically prescribes detailing certain design criteria to be incorporated into the design and layout of the Hotel, and Hyatt’s minimum standards for engineering and construction of newly constructed, renovated, or adapted Hyatt Regency Hotels, all as Hyatt determines them.

“**Effective Date**” means the date listed on page one of this Agreement, regardless of the date upon which Hyatt and Franchisee sign this Agreement.

“**F&B Operations**” means all food and beverage operations for Hotel guests and patrons consisting of: (a) restaurant, dining, bar, lounge, and retail food and beverage services; (b) banquet, meeting, event, catering (including outside catering), and room services; and (c) all other food, beverage and related services at the Hotel.

“**F&B Operations Plan**” means the plan for conducting and administering the F&B Operations at the Hotel that Franchisee prepares subject to Hyatt’s approval.

“**F&B Operator**” means the restaurant operator or other operator of some or all F&B Operations at the Hotel, other than Franchisee or the Management Company.

“FF&E” means all fixtures; equipment; furnishings; furniture; telephone systems; communications systems; copiers; signs; the Technology System and other property management, revenue optimization, in-room entertainment, and other computer and technology systems; and other similar items that Hyatt periodically specifies for the Hotel.

“Force Majeure” means (a) compliance with the orders, requests or recommendations of any federal, state, or municipal government, unless such order, request or recommendation arises because of Hyatt’s or Franchisee’s failure to comply with any applicable law, regulation or ordinance; (b) fire, flood, accident, hurricane, or other calamity or act of God; (c) strikes, embargoes, war, civil disturbance, acts of terrorism or similar events; or (d) any other similar event or cause.

“Franchisee Indemnified Parties” means Franchisee, its Affiliates, and its and their respective owners, officers, directors, managers, agents, employees, representatives, successors, and assigns.

“Franchisee Organization Website” means a website that mentions the Hotel and other hotels in which Franchisee and its Affiliates have an interest as part of Franchisee’s and its Affiliates’ portfolio of properties and that has a primary purpose of promoting the entire portfolio (rather than only promoting the Hotel).

“GDS” means the global distribution systems that Hyatt periodically authorizes or requires for Franchisee’s Hotel and other similarly situated Hyatt Regency Hotels (subject to Reasonable Deviations).

“Gross F&B Revenue” means all gross revenues (excluding gratuities but including service charges) attributable to or payable for F&B Operations, whether payable to Franchisee or any other party (including any restaurant operator leasing space at the Hotel) operating any F&B Operations, including all cash, check, barter, credit, debit, and other transactions, whether or not collected, and excluding any taxes that Franchisee or any other party collects and transmits to the appropriate taxing authority. If Franchisee receives any proceeds from any business interruption insurance applicable to the F&B Operations, then there shall be added to Gross F&B Revenue an amount equal to the imputed gross revenues that the insurer used to calculate those proceeds. Gross F&B Revenue shall be accounted for in accordance with the Uniform System of Accounts. If any other party (including any restaurant operator leasing space at the Hotel) operates any F&B Operations, then Franchisee acknowledges and agrees that the Gross F&B Revenue reflects amounts payable to such party, not the amounts that such party pays to Franchisee.

“Gross Rooms Revenue” shall be determined in accordance with the Uniform System of Accounts.

“Ground Lessor” means any person or entity (including any Affiliate of Franchisee) that, directly or through one or more other people or entities, leases or subleases all or any part of the Hotel’s real property or improvements to Franchisee or that otherwise has any fee simple ownership or leasehold interest in the Site or the Hotel.

“Guarantor” means each individual or entity who from time to time guarantees Franchisee’s obligations under this Agreement.

“Guarantor Monetary Threshold” means the minimum amount of total assets less total liabilities (excluding Hotel assets and liabilities relating solely to the Hotel), each as calculated in accordance with U.S. generally accepted accounting principles, and the minimum amount of liquid assets (consisting of cash, cash equivalents and marketable securities), that at least one Guarantor (whether an individual or an entity) must maintain at all times during the Term. The amount of the Guarantor Monetary Threshold as of the Effective Date is listed in Exhibit B.

“Guest Information” means information and data relating to or derived from the Hotel’s guests and other customers during the Term, whether obtained from the guest or customer or from any other source, including names, preferences, and other information about the guests’ or customers’ experiences and/or purchases, and including information stored in or provided to the CRS or the Hotel’s property management system.

“Hotel” means the Hyatt Regency Hotel located at the Site that Franchisee will operate pursuant to this Agreement. The Hotel includes all structures, facilities, appurtenances, FF&E, entrances, exits, and parking areas located on the Site or any other real property that Hyatt approves for Hotel expansion, signage, or other facilities.

“Hotel IP” means, to the extent not part of the Hotel System, all images, videos, renderings, recordings, text, restaurant, gift shop, spa and other outlet or amenity names, or other content relating to the Hotel and the Non-Hotel Components provided to Hyatt or its Affiliate by Franchisee or its Affiliate.

“Hotel System” means the concept and system associated with the establishment and operation of Hyatt Regency Hotels, as Hyatt periodically modifies it. The Hotel System now includes: (a) the Proprietary Marks; (b) all Copyrighted Materials; (c) all Confidential Information; (d) the Design and Construction Standards; (e) the CRS; (f) the required or authorized GDS and ADS; (g) management, personnel, and operational training programs, materials, and procedures; (h) System Standards; (i) marketing, advertising, and promotional programs; and (j) Mandatory Services and Non-Mandatory Services.

“Hotel System Website” means a website that Hyatt or one or more members of the Hyatt Group develops, maintains and/or authorizes for all or a certain group of Hyatt Regency Hotels that Hyatt periodically specifies (and, at Hyatt’s option, other Hyatt Network Hotels).

“Hyatt Group” means Hyatt and any of its Affiliates who from time to time provide goods or services to Franchisee and/or other Participating Hotels.

“Hyatt Indemnified Parties” means Hyatt, its Affiliates, and its and their respective owners, officers, directors, managers, agents, employees, representatives, successors, and assigns.

“Hyatt Network Hotels” means the Hyatt Regency Hotels and other hotels, resorts, lodging facilities and other accommodations and hospitality affiliations that from time to time are owned and/or operated by Hyatt, its Affiliates, or its or their franchisees or licensees under the name “Hyatt” or another brand owned by any of Hyatt’s Affiliates, regardless of whether those brands utilize the “Hyatt” mark in their names.

“Hyatt Regency Hotel” means a hotel operating under the Hotel System and the Proprietary Marks.

“Include” and **“including,”** whenever used in this Agreement, whether capitalized or not, will mean “including, by way of example, but without limitation.”

“Innovations” means all inventions, innovations and discoveries relating to a Hyatt Regency Hotel and based or relying upon any element of the Hotel System, including any advertising, marketing, promotional or public relations plans, programs or materials that Franchisee or its contractors develop for the Hotel, whether or not protectable intellectual property and whether created by or for Franchisee, its Affiliates or contractors, or its or their employees.

“IT Project Management Services” means the services described in Exhibit E to this Agreement.

“Lender” means each financial institution or other party (including an Affiliate of Franchisee), if any, that provided or provides any financing for Franchisee’s acquisition, development, and/or operation of the Hotel, including any mortgagee or trustee under any deed of trust and any mezzanine lender or other party that takes a pledge of Franchisee’s or any Controlling Owner’s ownership interests as security for the repayment of any such financing.

“Limited Interest Owner” means any Non-Controlling Owner who is not a Guarantor and who owns (directly or indirectly) ten percent (10%) or less of the ownership interests in Franchisee.

“Losses” means any and all losses, expenses, obligations, diminutions in value, liabilities, damages (actual, consequential, or otherwise), and reasonable defense costs that an indemnified party incurs. For purposes of this definition, defense costs include accountants’, arbitrators’, attorneys’, and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced.

“Management Arrangement” means any lease, management agreement, or other similar arrangement with any entity for the management or other oversight of all or a part of the Hotel’s operation.

“Management Company” means any entity (including any Affiliate of Franchisee) that Hyatt approves as the Hotel’s manager pursuant to a Management Arrangement.

“Mandatory Services” are those mandatory System Services that one or more members of the Hyatt Group provides to the Hotel and certain other Hyatt Regency Hotels and other Hyatt Network Hotels that the Hyatt Group reasonably determines must acquire those Mandatory Services only from the Hyatt Group.

“Market Descriptor” means any geographic or market descriptor that Hyatt periodically approves for Franchisee’s use to identify the Hotel along with the Proprietary Marks.

“**Mixed-Use Site**” means a site (whether newly constructed or adapted) that is owned or developed by Franchisee, its Owner or Affiliate, which includes in addition to the Hotel any Non-Hotel Components.

“**Monthly Room Multiplier**” means Thirty-Six and 25/100 Dollars (\$36.25), as adjusted annually during the Term by the CPI Increase.

“**Net Recovery**” means the aggregate insurance proceeds that Franchisee and its Affiliates receive or are entitled to receive relating directly or indirectly to the casualty impacting the Hotel, less the aggregate of (a) the portion of such proceeds that Franchisee and its Affiliates are required to pay to Lenders (or that Lenders are permitted to collect) under any applicable loan or credit agreement covering the Hotel, and (b) the portion of such proceeds that Franchisee and its Affiliates are required to pay to Owners under any partnership agreement, limited liability company operating agreement or similar governing document in effect prior to the casualty in order to return to such Owners any unreturned capital investment they made in connection with the development of the Hotel.

“**Non-Control Transfer**” means any transfer (as defined in this Exhibit A) of (a) a non-Controlling Ownership Interest in Franchisee, (b) a non-Controlling Ownership Interest in any Controlling Owner (if such Owner is a legal entity), or (c) a Controlling Ownership Interest or non-Controlling Ownership Interest in any Non-Controlling Owner (if such Owner is a legal entity).

“**Non-Controlling Owner**” means any Owner which is not a Controlling Owner.

“**Non-Hotel Components**” means any residential, retail, restaurant, commercial or public space that operates separate from the Hotel as part of a Mixed-Use Site.

“**Non-Mandatory Services**” are those non-mandatory System Services that one or more members of the Hyatt Group provides to the Hotel and certain other Hyatt Regency Hotels and other Hyatt Network Hotels that the Hyatt Group reasonably determines will be offered the option, but will not be required, to acquire those Non-Mandatory Services from the Hyatt Group.

“**Offering Materials**” means all disclosure documents and other written or electronic materials that Franchisee or any Owner (or any of their agents or representatives) intends to provide to any offeree or prospective purchaser of any ownership interests or other securities in Franchisee or any Owner (if that owner is an entity) which contain information about Hyatt or its Affiliates, this Agreement, Hyatt’s relationship with Franchisee, or the network of Hyatt Regency Hotels or other Hyatt Network Hotels (other than the Hotel).

“**Opening Date**” means: (a) for purposes of calculating the Term pursuant to Section 1.2 of this Agreement, the date upon which Franchisee has first opened the Hotel for business under the “Hyatt Regency®” name with at least ninety percent (90%) of the number guest rooms specified in Exhibit B available as inventory in the CRS and (b) for all other purposes under this Agreement, the date upon which Franchisee first opens the Hotel for business under the “Hyatt Regency®” name.

“Owner” means any person or entity holding a direct or indirect ownership interest (whether of record, beneficially, or otherwise) or voting rights in Franchisee, including any person or entity who has a direct or indirect interest in Franchisee, this Agreement, the franchise, or the Hotel and any person or entity who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets or any capital appreciation relating thereto.

“Participating Hotels” means, with respect to any System Services, those other Hyatt Regency Hotels and Hyatt Network Hotels that are similarly situated with the Hotel (subject to Reasonable Deviations) and that participate in such System Services in the same manner.

“PIP” means Property Improvement Plan.

“Privacy Laws” means any international, national, state, local or other law, code, rule or regulation that regulates the collection, processing, storage, transmission or use of Guest Information or other personally-identifiable information in any way, including data protection laws, laws regulating marketing or electronic communications, and information security regulations.

“Pre-Opening Sales Office” means a temporary or permanent sales office at the Site to solicit and accept reservations before the Opening Date for stays after the Opening Date.

“Proceeding” means any claim asserted or inquiry made (whether formally or informally), and any legal action, investigation or other proceeding (including any arbitration proceeding) brought, by any governmental agency or other person or entity.

“Proprietary Marks” means the trade names, trademarks, and service marks “Hyatt Regency®” and such other trade names, trademarks, service marks, logos, slogans, trade dress, domain names, and other designations of source and origin (including all derivatives of the foregoing) that Hyatt or its Affiliate periodically develops and Hyatt periodically designates for use in connection with the Hotel System.

“Providers” means providers of products or services for the Hotel, including the then current CRS operator (if applicable), then current GDS and ADS operators (if applicable), and other suppliers to the Hotel, which may include Hyatt and/or its Affiliates.

“Public Owner” means any holder of five percent (5%) or less of any class of securities of a Non-Controlling Owner which are publicly traded on any securities exchange or quoted in any publication or electronic reporting service maintained by the National Association of Securities Dealers, Inc. or any of its successors.

“Quality Assurance Programs” means the quality assurance, compliance and guest satisfaction programs for the Hotel that Hyatt periodically develops and modifies.

“Reasonable Business Judgment” means that Hyatt’s action or inaction has a business basis that is intended to benefit the Hyatt Regency Hotel network or the profitability of the network, including Hyatt and its Affiliates, regardless of whether some individual hotels may be unfavorably affected; or to increase the value of the Proprietary Marks; or to increase or enhance

overall hotel guest or franchisee or owner satisfaction; or to minimize possible brand inconsistencies or customer confusion.

“Reasonable Deviations” means that, if the market area or circumstances of a Hyatt Regency Hotel warrant, then, in Hyatt’s Reasonable Business Judgment, Hyatt may apply an aspect of the Hotel System, System Standard, requirement, fee or other term or condition to the Hotel in a manner which differs from the manner in which that aspect of the Hotel System, requirement, fee or other term or condition applies to one or more other similarly situated Hyatt Regency Hotels.

“Related Parties” means, with respect to each of Hyatt and Franchisee, each of their respective Affiliates (and, with respect to Franchisee, the Guarantors), and all of its and their respective owners, officers, managers, directors, agents and/or employees.

“Sanctioned Person” means (a) any individual, entity or organization, including any government or agency thereof, with whom either Franchisee or Hyatt is prohibited from doing business or maintaining a relationship under any Trade Restriction Law; and (b) any individual, entity or organization who is controlled by, or acting as the agent or nominee of, anyone listed in subsection (a).

“Security Interest” means any lien, charge, pledge, mortgage, security interest or other encumbrance.

“Spa Operations” means all spa and related operations and services for Hotel guests and patrons, consisting of all therapy, massage and other treatments, salon services and other spa-related services, if applicable for the Hotel.

“Spa Operator” means the operator of Spa Operations at the Hotel, other than Franchisee or the Management Company.

“System Services” means those services generally made available by the Hyatt Group from time to time on a central, regional, or other shared or group basis (whether in whole or in part) to all or certain Hyatt Regency Hotels and other Hyatt Network Hotels that the Hyatt Group reasonably determines shall be provided such services, and which are categorized as either Mandatory Services or Non-Mandatory Services.

“System Services Charges” means the amounts that the Hyatt Group charges the Hotel, and Franchisee hereby agrees to pay, for the Hotel’s equitably allocable share of the System Services Costs attributable to the System Services in which the Hotel participates (or is obligated to participate), as periodically determined by the Hyatt Group.

“System Services Costs” means, with respect to any of the System Services in which the Hotel participates (or is required to participate), all costs actually incurred or properly accrued by any member of Hyatt Group during the period of determination in respect of the provision of such System Services, including out-of-pocket expenses, costs for employees, occupancy costs, capital costs, administrative expenses, carrying costs and other costs incurred directly or indirectly in providing System Services.

“System Standards” means standards, specifications, procedures, and rules for operations, marketing, construction, equipment, furnishings, and quality assurance that Hyatt implements and may periodically modify for Hyatt Regency Hotels.

“Technology System” means certain computer systems, sales and marketing systems, communications equipment and related equipment and supplies that Hyatt or its Affiliate will require Franchisee to use in the Hotel’s operation.

“Termination Agreement” means Hyatt’s then current form of agreement that would terminate (or confirm the termination of) this Agreement and include a general release, in a form satisfactory to Hyatt, of any and all claims against Hyatt and its Affiliates, and its and their respective owners, officers, directors, managers, employees, agents, representatives, successors and assigns. If the Termination Agreement is required pursuant to the terms of this Agreement, it must be signed by Hyatt, Franchisee and each then current Guarantor, and, if neither Franchisee nor any then current Guarantor then maintains the Guarantor Monetary Threshold, Franchisee must require an Owner or other entity that maintains the Guarantor Monetary Threshold to assume and agree to be bound by Franchisee’s obligations under the Termination Agreement.

“Total Operating Revenue” shall be determined in accordance with the Uniform System of Accounts.

“Trade Restriction Laws” mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, the list of prohibited countries, individuals, organizations and entities maintained by the U.S. Department of Treasury Office of Foreign Assets Control, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts, acts of war, trade, economic or investment sanctions or prohibitions, or similar restrictions.

“Transaction Taxes” means federal, state, local or foreign (a) sales, use, excise, privilege, occupation or any other transactional taxes, and (b) other taxes or similar exactions, no matter how designated, that are imposed on Hyatt or that Hyatt is required to withhold in connection with the receipt or accrual of Royalty Fees or any other amounts payable by Franchisee to Hyatt under this Agreement, excluding only taxes imposed on Hyatt for the privilege of conducting business and calculated with respect to Hyatt’s net income (including Royalty Fee income), capital, net worth, gross receipts, or some other basis or combination thereof, but not excluding any gross receipts taxes imposed on Hyatt or its Affiliates for Franchisee’s payments intended to reimburse Hyatt or its Affiliates for expenditures incurred for the benefit and on behalf of Franchisee.

“Transfer” (whether or not such term is capitalized) means and includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition of any interest in this Agreement; Franchisee; the Hotel or substantially all of its assets; any of Franchisee’s Owners (if such Owner is a legal entity); or any right to receive all or a portion of the Hotel’s, Franchisee’s, or any Owner’s profits or losses or any capital appreciation relating to the Hotel, Franchisee or any Owner. An assignment, sale, gift, or other disposition includes the following events: (a) transfer of ownership of capital stock, a partnership or membership interest, or another form of ownership interest; (b) merger or consolidation or issuance of additional securities or other forms of ownership interest; (c) any sale or other transfer of a security or other interest convertible to an

ownership interest; (d) transfer in a divorce, insolvency, or entity dissolution proceeding or otherwise by operation of law; (e) transfer by will, declaration of or transfer in trust, or under the laws of intestate succession; and (f) foreclosure upon or exercising any similar rights or remedies with respect to any Security Interest in this Agreement (to someone other than Hyatt), the Hotel or an ownership interest in Franchisee or one of its Owners, foreclosure upon the Hotel, or Franchisee's transfer, surrender, or loss of the Hotel's possession, control, or management.

“Travel Services Website” means a website operated by a third party (which is not an Affiliate of Franchisee) that promotes and sells travel-related products and services for a number of hotel brands, including other Hyatt Network Hotels.

“Uniform System of Accounts” means the Uniform System of Accounts for the Lodging Industry, Eleventh Edition, as published by the Educational Institute of the American Hotel and Motel Association, 2014, or a later edition that Hyatt approves.

EXHIBIT B
to the
HYATT REGENCY HOTEL FRANCHISE AGREEMENT

BASIC TERMS

1. The “**Site**” means a Hyatt Regency® hotel located at:
HOTELADDRESS1
HOTELADDRESS2
2. Number of Approved Guest Rooms: _____ Rooms
3. Pursuant to Section 4.2(a), Hyatt hereby approves: _____
[or Franchisee] as the initial Management Company to operate the Hotel.
4. The “**Guarantor Monetary Threshold**” is each of the following: (a) the amount of total assets less total liabilities (excluding Hotel assets and liabilities relating solely to the Hotel), each as calculated in accordance with U.S. generally accepted accounting principles, equal to or exceeding \$ _____ .00 as of the date hereof; and (b) liquid assets (consisting of cash, cash equivalents and marketable securities) equal to or exceeding \$ _____ .00 as of the date hereof. Each of these dollar amounts shall increase automatically each year, without notice from Hyatt, effective on the first day of the calendar month during which the Franchise Agreement’s Effective Date falls, by an amount equal to the CPI Increase.
5. Franchisee paid an “**Application Fee**” of \$ _____ .00 before signing this Agreement.
6. Franchisee shall pay Hyatt an “**IT Project Management Services Fee**” in the fixed amount of **\$69,900.00** plus reimbursement of Hyatt’s or its Affiliate’s reasonable expenses in rendering the IT Project Management Services, including any necessary transportation, lodging and meals, plus applicable taxes thereon. The IT Project Management Services Fee (including expenses) will be invoiced by Hyatt no earlier than: (a) Hyatt’s completion of the IT Project Management Services or (b) upon Franchisee’s termination of the Hotel development project or the IT Project Management Services, for any reason, in either event regardless of whether Hyatt has approved the Hotel for opening.
7. Franchisee shall pay Hyatt a “**Design Services Review Fee**” in the fixed amount of \$ _____ .00, plus applicable taxes thereon, in accordance with the following schedule: (a) an initial payment in the amount of \$ _____ . will be due and payable concurrently with the execution of this Agreement and (b) the balance payable in _____ () equal monthly installments of \$ _____ .00 each, with the first such installment due and payable on _____.
8. Franchisee shall comply with the following provisions concerning the Hotel’s development.

Include the following provisions only if Franchisee is not converting an existing hotel at the Site to a Hyatt Regency Hotel.

(a) Franchisee shall, at its expense and with all reasonable diligence design, build, equip, furnish and decorate the Hotel according to the Preliminary Area Program (defined below) and in conformity with the Hotel System, including the Design and Construction Standards.

(b) The “**Preliminary Area Program**” means: the Hotel (including all hotel buildings and ancillary and support spaces, parking structures, and maintenance buildings) consisting of (i) the number of guest rooms set forth above, (ii) ___ restaurants and ___ bars, (iii) banquet facilities, [**a ballroom,**] meeting and other public rooms (of approximately _____ square feet of meeting rooms and banquet and pre-function areas), (iv) a spa and fitness center, (v) [**commercial space for the sale of merchandise, goods or services,**] (vi) garage or other parking space for guests and some employees (with additional parking offsite from the Hotel in a shared facility near or adjacent to the Hotel), (vii) storage and service support areas, (viii) offices for employees, (viii) a business center, and (ix) recreational facilities and areas. The Preliminary Area Program includes all millwork, installations and building systems necessary for the operation of the building for Hotel purposes including elevator, heating, ventilating, air conditioning, electrical (including lighting), plumbing (including sanitary), refrigerating, telephone and communications, safety and security, laundry storage and kitchen installations and systems, the FF&E, all public grounds, gardens and other landscaping features and facilities, and such other facilities and appurtenances, as are necessary or desirable for the operation of the Hotel under the Design and Construction Standards.

(c) Within six (6) months after the Effective Date, Franchisee’s managing owner or senior operations officer must attend at Franchisee’s expense a briefing virtually, at Hyatt’s headquarters in Chicago, Illinois, or another location Hyatt specifies to acquaint Franchisee with Hyatt’s building process and support structure.

(d) Construction must begin within twelve (12) months after the Effective Date. For purposes of this Agreement, construction of the Hotel is deemed to have begun when the vertical construction or adaptation of the Hotel portion of the building begins for mixed use projects or upon pouring concrete for the Hotel’s foundation or finished slab for all other projects.

(e) The “**Opening Deadline**” means the date which is _____ (__) months after the Effective Date.

Include the following provisions only if Franchisee is converting an existing hotel at the Site to a Hyatt Regency Hotel.

(a) Within three (3) months after the Effective Date, Franchisee’s managing owner or senior operations officer must attend at Franchisee’s expense a briefing virtually, at Hyatt’s headquarters in Chicago, Illinois, or another location Hyatt specifies to acquaint Franchisee with Hyatt’s building process and support structure.

(b) Franchisee agrees to renovate the Hotel in conformity with the Hotel System, including the Design and Construction Standards, and in accordance with, and within the time frames set forth on, the PIP attached as Exhibit D. Franchisee may not make any material changes to plans set forth in the PIP (including any changes to any structural or life safety equipment or systems, the number and/or type of guest rooms or common areas, or any architectural features) without Hyatt’s prior written consent, which Hyatt will not unreasonably withhold.

(c) If this Agreement anticipates Franchisee’s conversion of an existing franchised or managed facility to a Hyatt Regency Hotel, then before any Proprietary Marks (including signage) are installed or displayed at the Site, and before Franchisee opens a Pre-Opening Sales Office or the Hotel is authorized to open as a Hyatt Regency Hotel, Franchisee must submit evidence reasonably satisfactory to Hyatt of the termination of Franchisee’s previous franchise or management agreement in accordance with applicable legal requirements.

(d) The “**Opening Deadline**” means the date which is _____ (__) months after the Effective Date, unless otherwise provided in the PIP.

9. The “**AOP Term**” means the period during which time the rights in the Area of Protection apply according to the terms and conditions of Section 1.3 of the Agreement, which begins on the Effective Date and ends on the earlier of: (a) the date which is _____ (__) years after the Opening Date; and (b) _____, 20____.

10. The “**Area of Protection**” is defined as _____.
The Area of Protection is depicted on the map attached below. However, if there is an inconsistency between the language in this Exhibit B and the attached map, the language in this Exhibit B shall control.

[Insert map here]

FRANCHISEE:

[ENTITYNAMECAPS]

By: _____

Name: _____

Title: _____

HYATT FRANCHISING, L.L.C.

By: _____

Name: _____

Title: _____

EXHIBIT C
to the
HYATT REGENCY HOTEL FRANCHISE AGREEMENT

RIGHT OF FIRST OFFER FOR STRATEGIC MARKETS

By signing this Exhibit C, Hyatt and Franchisee acknowledge that Hyatt's right of first offer reflected in this Exhibit C applies to this Agreement. If Hyatt and Franchisee do not sign this Exhibit C, then it does not apply to this Agreement. Hyatt has the unrestricted right to assign its right of first offer to an Affiliate or other third party, who then will have Hyatt's rights and obligations described in this Exhibit C.

If Franchisee (or any of its Owners) at any time during the Term determine to sell or transfer for consideration this Agreement, the Hotel or all or substantially all of its assets, or a Controlling Ownership Interest in Franchisee or its Controlling Owner (except to or among Franchisee's Owners as of the Effective Date, which is not subject to this Exhibit C), then Franchisee must first give Hyatt the opportunity to acquire those rights (the "**Offered Rights**") by delivering written notice to Hyatt. Franchisee's notice must contain a summary of the material terms and conditions of the proposed sale or transfer, including (without limitation) the proposed consideration and the terms of any financing Franchisee or its Affiliate will provide for the proposed purchase price (the "**Offer Terms**"). The Offer Terms must relate exclusively to the Offered Rights and not to any other assets or rights.

Hyatt will then have thirty (30) days after receiving the Offer Terms to notify Franchisee whether Hyatt elects to acquire the Offered Rights on the Offer Terms, provided that (1) Hyatt may substitute cash, a cash equivalent, or marketable securities for any form of payment proposed in the Offer Terms (such as ownership interests in an entity) and may elect to pay the net present value of any payments to be made over time; (2) Hyatt must be afforded the opportunity to conduct customary due diligence on the Offered Rights; and (3) Hyatt must receive, and Franchisee and its Owners agree to make, all customary representations, warranties, and indemnities in Hyatt's purchase, including representations and warranties as to ownership and condition of and title to assets; liens and encumbrances on assets; validity of contracts and agreements; liabilities affecting the assets, contingent or otherwise; and indemnities for all actions, events, and conditions that existed or occurred in connection with the Hotel or Franchisee's business before the closing.

If Hyatt exercises the right of first offer, the closing will take place at a location and on a date that Hyatt chooses, within ninety (90) days after Hyatt delivers its notice of exercise to Franchisee or such longer period as may be contemplated by the Offer Terms. Hyatt and Franchisee will sign documents, including deeds, affidavits, transfers and assignments, and any other documents necessary or appropriate for the sale or transfer of the Offered Rights. Franchisee must satisfy all liens, mortgages, and/or encumbrances on the Hotel. Hyatt and Franchisee will share equally any closing costs.

If Hyatt notifies Franchisee in writing that Hyatt does not intend to exercise its right of first offer with respect to any Offer Terms, or fails to notify Franchisee of Hyatt's decision within the thirty (30)-day period described above, then Franchisee thereafter may offer the Offered Rights to

any third party on terms no more favorable to that party than the Offer Terms. However, Franchisee or its Owners may sell or transfer the Offered Rights only if Hyatt otherwise approves the transfer in accordance with, and Franchisee (and its Owners) and the transferee comply with the conditions in, ARTICLE XII of this Agreement. This means that, even if Hyatt does not exercise Hyatt's right of first offer, if the proposed transfer otherwise would not be allowed under ARTICLE XII, Franchisee (or its Owners) may not move forward with the transfer at all.

Later, Franchisee may determine to offer the Offered Rights on terms which are more favorable to the buyer than the Offer Terms, or Franchisee may determine to change the Offered Rights, then Franchisee must first offer those new terms to Hyatt according to the procedures described above. In addition, if Franchisee does not sell or transfer the Offered Rights in compliance with this Exhibit C and the conditions in ARTICLE XII within twelve (12) months after Hyatt first receives notice of the Offered Rights, then the rights under this Exhibit C shall once again apply with respect to those Offer Terms, and Franchisee may not sell or transfer for consideration the Offered Rights without first giving Hyatt the opportunity to acquire those rights according to this Exhibit C.

By signing below, Hyatt and Franchisee acknowledge and agree that the terms of this Exhibit C will apply to this Agreement.

FRANCHISEE:

[ENTITYNAMECAPS]

By: _____

Name: _____

Title: _____

HYATT FRANCHISING, L.L.C.

By: _____

Name: _____

Title: _____

EXHIBIT D
to the
HYATT REGENCY HOTEL FRANCHISE AGREEMENT

DESIGN APPROVAL REVIEW PROCESS OR
PROPERTY IMPROVEMENT PLAN
(as applicable)

EXHIBIT E
to the
HYATT REGENCY HOTEL FRANCHISE AGREEMENT

IT PROJECT MANAGEMENT SERVICES

[FULL SERVICE]

HYATT IT PROJECT MANAGEMENT SERVICES

1. Scope of Services, Part 1

IT Project Management Services - The overall process includes a Blueprint Review and IT Project Management & Planning. Listed below are the activities for each component which are included in the IT Project Management Services fee.

- Initial Discussion
 - Blueprint Review.
 - Provide and review IT Systems Budget, Hyatt IT Brand Standards, Consolidated Billing, Cabling Statement of Work, etc. (Collectively “IT Systems Requirements”).
- Project Management and Planning
 - Assist the franchise IT group with the following activities
 - Communicate status on an agreed upon schedule.
 - Plan and direct the overall IT Project Management activities through implementation and sign-off.
 - Provide specifications and oversight for low voltage cabling.
 - Monitor all Teams/Vendors with respect to standard work processes related to IT System installations.
 - Assist in coordinating installation of the standard IT Systems and facilitate communication between Vendor and hotel.
 - Act as the Single Point of Contact “SPOC” for IT problem escalation during Vendor installations.
- Procurement Assistance
 - Assist the IT Franchise Group with the following activities:
 - Review IT orders for accuracy and pricing (“System Proposals”).
 - Communicate IT Systems Requirements to Vendors.
- Vendor Management and Scheduling
 - Assist the IT Franchise Group with the following activities:
 - Act as the single point of contact for Hyatt IT Vendor scheduling and coordination as required.
 - Work closely with Owner Representative and/or IT Consultant to identify schedule touch points and dependencies to be addressed with General Contractor.
 - Manage Hyatt Vendor issues.
 - Schedule and facilitate Hyatt Vendor meetings as possible.
- Hyatt Network Operations consulting – VPN setup and systems whitelisting.
- Hyatt Telecom consulting – faceplate approval, Auto-attendant setup and standardization, Music on hold setup and standardization.
- On-site Visits - The following visits are approximate. Visits may be removed, combined or added as necessary.

- Visit 1 – Initial Visit during construction to review facilities (AC, plumbing, MDF, IDF(s), Guest Rooms).
- Visit 2 – Review Low Voltage Cabling at 90% installation.
- Visit 3 – End of Construction Walk-through and Computer Room setup (if needed), also onsite w/ Sound & Security system teams.
- Visit 4 – On-site for opening/Project close out.

2. Scope of Services, Part 2

Installation, configuration and training services for Hyatt proprietary systems - This process covers Hyatt's installation, configuration, and training services for the following systems which are included on Hyatt's consolidated invoice:

- Basic Reserve Training
- Envision Sales, EAS, EMS Configuration and Revisit
- Hyatt Operational Training of Property Mgmt. Systems
- Opera Operational Excellence Revisit (conducted 90-days after opening)
- Colleague Advantage Configuration and Training
- Online Check-in/Express Check-out Service - Remote Install & Training
- Mobile Key Service - Remote Installation & Training
- Guest Request System (HotSOS, Housekeeping, ECA, and/or Zingle)

3. Out Of Scope Items

The following services are not included in the Hyatt IT Project Management Services Statement of Work:

- Installation and configuration of network, server, or workstation hardware and software
- Configuration of system interfaces to Opera
- Purchasing required hardware, software, interfaces and licenses.
- Performing upgrades to existing equipment intended for re-use in hotel opening
- Installing non-standard software or systems hardware outside of hardware detailed above
- Installation and configuration of 'off-brand' hardware or hardware not purchased within Hyatt specification
- Configuration of equipment intended for use beyond Hyatt's standard configuration (i.e., configuration of redundant/hot-swap devices)
- Configuration of Virtual Machine-based systems, to include the Domain Controller
- Setup and configuration of systems typically configured by respective vendors
- Installing or terminating any low-voltage cabling or manufacture of patch cables
- Performing training for vendor-specific systems
- Supporting hardware or systems software following install.
- Installation & configuration of server backup solution

4. Deliverables and Work Product

The Hyatt IT Systems Budget will include specified pricing for standard computer systems (the “Bid Book”). Hyatt will designate a Consultant (the “IT Project Manager”) to manage property project plans from checklists to final signoffs, manage and maintain an updated issues list, as well as review the existing documentation regularly in order to update the master based on real time adjustments. Further, the IT Project Manager will be responsible for timely delivery of IT Site Reports after on-site visits.

5. Roles and Responsibilities

Legend: O = Owns, P = Participates, R = Reviews

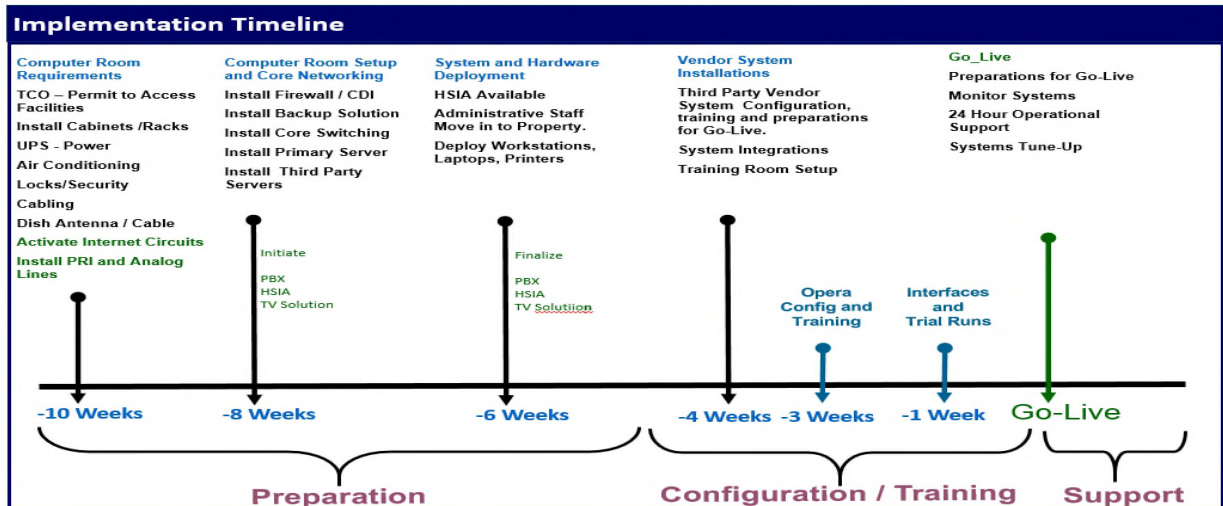
Task Description	Hotel Owner/ Mgmt	Hotel	Hyatt IT	General Contractor
Approve IT SOW	O		R	
Perform Blueprint Review	P		O	
Review Blueprint Variances	P		O	
Review IT Systems Budget and Vendor Proposals	P		O	
Assist in Selecting Vendors for systems that do not require a mandatory vendor	O		R	
Provide IT Brand Standards and Low Voltage Cabling Specifications			O	P
Review specifications of hotel selected vendors	O		R	
Generate purchase orders	O		R	
Process deposits	O		R	
Communicate construction milestones and dates	R	R	R	O
Install IT Electric and Cabling			R	O
Approve vendor change orders as needed	O		R	
Schedule IT vendor installations		O	R	
Coordinate Computer Room and Front Desk installations	O	P	R	
Schedule IT vendor training		O	P	
Post implementation walk-through	P	P	O	

6. Project Schedule

Upon approval of this Statement of Work, an IT Project Manager will be assigned to perform a Blueprint Review. An IT System Installation and Training Schedule will be produced approximately 90 days prior to the Hotel opening for business to the public.

Sample Hotel Schedule:

IT Implementation Timeline



Note: Above schedule is a sample. Actual timeframe will differ based on the property and/or permits.

7. Project Dependencies

Critical milestones for IT Systems are dependent on available electricity, conduit, core drilling and cabling in the Computer Room, Front Desk, Business Center, Meeting Rooms, etc. .

8. Completion Criteria

This Statement of Work will be deemed completed when:

- the Computer Room and IDF(s) are installed and operational;
- the Front Desk is installed and operational;
- the Hyatt Standard IT Systems are installed an operational; and
- Vendor training has been completed.

EXHIBIT F
to the
HYATT REGENCY HOTEL FRANCHISE AGREEMENT

MANAGEMENT COMPANY DOCUMENTS

MANAGEMENT COMPANY RIDER
to the Franchise Agreement dated as of _____, 2022 (“Franchise Agreement”)
between Hyatt Franchising, L.L.C. (“Hyatt”) and
_____ (“Franchisee”)

_____ (“Management Company”) has entered into a Management Agreement with Franchisee (as amended, the “Management Agreement”) under which Management Company will operate the Hyatt Regency Hotel located at _____ (the “Hotel”) in accordance with the terms and conditions of the Franchise Agreement. However, under the Franchise Agreement, Management Company may not operate the Hotel without Hyatt’s consent, and Hyatt is unwilling to provide such consent unless Franchisee and Management Company agree to the terms of this Rider.

In consideration of the rights granted to Management Company under the Management Agreement and of Hyatt’s consent (under the Franchise Agreement) to Management Company’s operation of the Hotel, Management Company hereby acknowledges and ratifies the terms and conditions of the Franchise Agreement and agrees to fully observe and be bound by all terms, conditions and restrictions regarding the management and operation of the Hotel set forth in the Franchise Agreement for as long as Management Company operates the Hotel, as if and as though Management Company had executed the Franchise Agreement as “Franchisee,” including, without limitation, all terms and conditions of ARTICLE IV and ARTICLE V of the Franchise Agreement (other than Section 4.2(a)). Management Company further agrees to be bound by the confidentiality and other covenants set forth in Sections 11.5, 11.6, and 11.7 of the Franchise Agreement (including all remedies available to Hyatt under the Franchise Agreement for breach thereof) during and subsequent to its tenure as manager of the Hotel. However, notwithstanding the foregoing, nothing in this Rider constitutes an agreement of Management Company: (a) to pay or assume any financial obligation of Franchisee to Hyatt or to any third party, including any obligation of Franchisee to pay Royalty Fees or System Services Charges or any liquidated damages pursuant to Section 16.5 of the Franchise Agreement; or (b) to be bound by any provision in ARTICLE XII of the Franchise Agreement. Management Company represents and warrants to Hyatt and Franchisee that Management Company is not a Brand Owner, as defined in the Franchise Agreement.

Management Company agrees that Hyatt may enforce directly against Management Company those terms and conditions of the Franchise Agreement to which Management Company has hereby agreed to be bound. Franchisee acknowledges and agrees that any act or omission of Management Company relating directly or indirectly to the Hotel will be deemed and considered the act or omission of Franchisee for purposes of Hyatt’s rights and remedies under the Franchise Agreement (including, without limitation, Franchisee’s indemnification and defense obligations under Section 8.3 of the Franchise Agreement), any other agreement, or applicable law. ARTICLE

VIII, ARTICLE XIV (including, without limitation, the arbitration provisions) and ARTICLE XVIII of the Franchise Agreement, entitled "Relationship of Parties and Indemnification," "Dispute Resolution," and "General," respectively, are incorporated by reference in this Rider and will govern all aspects of Hyatt's and Management Company's relationship and this Rider as if fully restated within the text of this Rider, with all references to "Franchisee" interpreted as references to Management Company.

MANAGEMENT COMPANY:

HYATT FRANCHISING, L.L.C., a
Delaware limited liability company

a(n) _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

FRANCHISEE:

a(n) _____

By: _____
Name: _____
Title: _____

EXHIBIT G
to the
HYATT REGENCY HOTEL FRANCHISE AGREEMENT

FRANCHISEE'S OWNERSHIP

FRANCHISEE:

[ENTITYNAMECAPS]

By: _____

Name: _____

Title: _____

HYATT FRANCHISING, L.L.C.

By: _____

Name: _____

Title: _____

EXHIBIT H
to the
HYATT REGENCY HOTEL FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS (“**Guaranty**”) is given this ____ day of _____, 2022, by the undersigned party or parties (individually and collectively, “**Guarantor**”) in favor of HYATT FRANCHISING, L.L.C., a Delaware limited liability company (together with its successors and assigns, “**Hyatt**”).

WHEREAS, [_____] (“**Franchisee**”) owns the hotel to be known as the Hyatt Regency Hotel located or to be located at the Site identified in the Franchise Agreement (defined below) (the “**Hotel**”);

WHEREAS, simultaneously herewith, Franchisee is entering into a Hyatt Regency Hotel Franchise Agreement (as amended, modified or amended and restated from time to time, the “**Franchise Agreement**”) with Hyatt with respect to the Hotel;

WHEREAS, Guarantor is either an owner (whether direct or indirect) of Franchisee or otherwise has a direct or indirect relationship with Franchisee or its affiliates, Guarantor will benefit significantly from Hyatt’s entering into the Franchise Agreement with Franchisee, and Hyatt will not enter into the Franchise Agreement unless each of the undersigned agrees to sign and comply with the terms of this Guaranty;

WHEREAS, as a condition to entering into the Franchise Agreement, Hyatt has required that Guarantor guarantee the payment and performance of the Guaranteed Obligations (as defined herein), subject to the terms of this Guaranty.

NOW, THEREFORE, as a material inducement to Hyatt entering into the Franchise Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby does irrevocably and unconditionally warrant and represent unto and covenant as follows:

1. **Recitals; Defined Terms.** The recitals above are a part of this Guaranty, form a basis for this Guaranty, and shall be considered prima facie evidence of the facts and documents referred to therein. Defined terms used but not defined herein shall have the meanings ascribed to them in the Franchise Agreement.

2. **Guaranty.** Guarantor hereby irrevocably and unconditionally personally guarantees to Hyatt and its successors and assigns Franchisee’s punctual payment and performance of, and agrees to be personally bound by and personally liable for the breach of, each and every Guaranteed Obligation. Guarantor hereby irrevocably and unconditionally covenants and agrees that it is liable for the Guaranteed Obligations as a primary obligor.

3. **Guaranteed Obligations.** As used herein, the term “Guaranteed Obligations” means (i) Franchisee’s payment in full of all of Franchisee’s monetary obligations including but

not limited to Franchisee's payment of any liquidated damages that become due and payable pursuant to the Franchise Agreement as and when required pursuant to the Franchise Agreement, and (ii) Franchisee's performance of each and every provision in the Franchise Agreement (including any amendments or modifications of the Franchise Agreement), including, without limitation: (a) obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including, without limitation, the confidentiality and transfer requirements and the prohibitions with respect to Brand Owners; and (b) the arbitration requirements and other enforcement provisions in ARTICLE XIV and ARTICLE XVIII of the Franchise Agreement.

4. **Guarantor Monetary Threshold.** Guarantor represents and agrees that, at the time of signing this Guaranty and at all times during the term of the Franchise Agreement, at least one of the undersigned or another then current guarantor of Franchisee's obligations under the Franchise Agreement satisfies the Guarantor Monetary Threshold (defined below). The "**Guarantor Monetary Threshold**" means each of the following: (a) the amount of total assets less total liabilities (excluding Hotel assets and liabilities relating solely to the Hotel), each as calculated in accordance with U.S. generally accepted accounting principles, equal to or exceeding _____ Dollars (\$_____) as of the date hereof; and (b) liquid assets (consisting of cash, cash equivalents and marketable securities) equal to or exceeding _____ Dollars (\$_____) as of the date hereof. Each dollar amount in this Section 4 shall increase automatically each year, without notice from Hyatt, effective on the first day of the calendar month during which the Franchise Agreement's Effective Date falls, by an amount equal to the CPI Increase. The "**CPI Increase**" means the amount to be adjusted multiplied by a fraction, the numerator of which is the Consumer Price Index for all Urban Consumers for All Items, as published by the U.S. Department of Labor, Bureau of Labor Statistics (the "**Base Index**") as of the first day of the calendar month during which the increase is to take effect, and the denominator of which is the Base Index in effect on the Franchise Agreement's Effective Date or used for the most recent increase (whichever is later). If the Base Index is no longer published, Hyatt may designate another reasonably comparable index for calculating changes in the cost of living or purchasing power for consumers. Guarantor agrees to provide Hyatt on an annual basis financial statements or other documents that Hyatt reasonably specifies, certified by Guarantor in the manner that Hyatt specifies, demonstrating that at least one Guarantor satisfies the Guarantor Monetary Threshold. Upon reasonable advance notice, but no more than twice during any calendar year during the Franchise Agreement's term, Hyatt may examine the undersigned's business, bookkeeping, accounting and tax records to ascertain compliance with the Guarantor Monetary Threshold. In addition to and without limiting Hyatt's other rights and remedies under the Franchise Agreement, this Guaranty or applicable law, Guarantor acknowledges that Hyatt may terminate the Franchise Agreement (subject to the applicable notice and cure period in the Franchise Agreement) if at least one Guarantor or another guarantor of Franchisee's obligations under the Franchise Agreement does not satisfy the Guarantor Monetary Threshold at all times during the Franchise Agreement's term.

5. **Nature of Guaranty.** Guarantor consents and agrees that: (1) the representations, warranties, agreements, liabilities, and obligations of Guarantor set forth in this Guaranty shall apply to each of the undersigned parties in its individual capacity; (2) notwithstanding the foregoing, each of the undersigned's direct and immediate liability under this Guaranty will be

joint and several, both with Franchisee and among the other parties (if any) comprising Guarantor; (3) Guarantor will render any payment or performance required under the Franchise Agreement upon demand if Franchisee fails or refuses punctually to do so; (4) this liability will not be contingent or conditioned upon Hyatt's pursuit of any remedies against Franchisee or any other person or entity; (5) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence that Hyatt may from time to time grant to Franchisee or any other person or entity, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including the release of other guarantors), none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during and after the term of the Franchise Agreement (including extensions) for so long as any performance is or might be owed under the Franchise Agreement by Franchisee or any of its guarantors and for so long as Hyatt has any cause of action against Franchisee or any of its guarantors; and (6) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Franchise Agreement and despite the transfer of any direct or indirect interest in the Franchise Agreement or Franchisee, and Guarantor waives notice of any and all renewals, extensions, modifications, amendments, or transfers.

6. **Waivers.**

(a) Guarantor hereby waives: (i) all rights to payments and claims for reimbursement or subrogation that Guarantor may have against Franchisee arising as a result of the undersigned's execution of and performance under this Guaranty, for the express purpose that none of the undersigned shall be deemed a "creditor" of Franchisee under any applicable bankruptcy law with respect to Franchisee's obligations to Hyatt; (ii) all rights to require Hyatt to proceed against Franchisee for any payment required under the Franchise Agreement, proceed against or exhaust any security from Franchisee, take any action to assist any of the undersigned in seeking reimbursement or subrogation in connection with this Guaranty or pursue, enforce or exhaust any remedy, including any legal or equitable relief, against Franchisee; (iii) any benefit of, any right to participate in, any security now or hereafter held by Hyatt; and (iv) acceptance and notice of acceptance by Hyatt of Guarantor's undertakings under this Guaranty, all presentments, demands and notices of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest, notices of dishonor, notices of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed (except as otherwise expressly provided herein or in the Franchise Agreement), and any other notices and legal or equitable defenses to which Guarantor may be entitled. Hyatt shall have no present or future duty or obligation to the undersigned under this Guaranty, and each of the undersigned waives any right to claim or assert any such duty or obligation, to discover or disclose to the undersigned any information, financial or otherwise, concerning Franchisee, any other guarantor, or any collateral securing any obligations of Franchisee to Hyatt. Without affecting the obligations of the undersigned under this Guaranty, Hyatt may, without notice to the undersigned, extend, modify, supplement, waive strict compliance with, or release all or any provisions of the Franchise Agreement or any indebtedness or obligation of Franchisee, or settle, adjust, release, or compromise any claims against Franchisee or any other guarantor, make advances for the purpose of performing any obligations of Franchisee under the Franchise Agreement, assign the Franchise Agreement

or the right to receive any sum payable under the Franchise Agreement, and the undersigned each hereby jointly and severally waive notice of same. The undersigned expressly acknowledge that the obligations hereunder survive the expiration or termination of the Franchise Agreement.

(b) In addition, Guarantor waives any defense arising by reason of any of the following: (i) any disability or any counterclaim or right of set-off or other defense of Franchisee, (ii) any lack of authority of Franchisee with respect to the Franchise Agreement, (iii) the cessation from any cause whatsoever of the liability of Franchisee, (iv) any circumstance whereby the Franchise Agreement shall be void or voidable as against Franchisee or any of Franchisee's creditors, including a trustee in bankruptcy of Franchisee, by reason of any fact or circumstance, (v) any event or circumstance that might otherwise constitute a legal or equitable discharge of the undersigned's obligations hereunder, except that the undersigned do not waive any defense arising from the due performance by Franchisee of the terms and conditions of the Franchise Agreement, (vi) any right or claim of right to cause a marshaling of the assets of Franchisee or any other guarantor, and (vii) any act or omission of Franchisee.

(c) Guarantor's obligations under this Guaranty shall not be released, diminished, impaired, reduced or adversely affected by any of the following and Guarantor waives any common law, equitable, statutory or other rights (including, without limitation, rights to notice, other than notices required in this Guaranty) which Guarantor might otherwise have as a result of or in connection with any of the following:

(i) any increase, modification, alteration or rearrangement of all or any part of the Guaranteed Obligations, the Franchise Agreement or any other document, instrument, contract or understanding between Franchisee and Hyatt or any other parties pertaining to the Guaranteed Obligations, or any failure of Hyatt to notify Guarantor of any such action.

(ii) any adjustment, indulgence, forbearance or compromise that might be granted or given by Hyatt to Franchisee or Guarantor.

(iii) the insolvency, bankruptcy, arrangement, adjustment, composition, liquidation, disability, dissolution or lack of power of Franchisee, Guarantor or any other party at any time liable for the payment or performance of all or part of the Guaranteed Obligations; or any dissolution of Franchisee or Guarantor, or any sale, lease or transfer of any or all of the assets of Franchisee or Guarantor, or any changes in the direct or indirect owners of Franchisee or Guarantor; or any reorganization of Franchisee or Guarantor.

7. **Representations**. Guarantor represents and warrants to Hyatt that (a) if it is a business entity, it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation, and its execution and delivery of this Guaranty have been duly authorized by all necessary company action; and (b) the undersigned's execution and delivery of, and performance under, this Guaranty do not and will not violate or result in a breach or default

under any applicable law or any agreement to which the undersigned is a party or by which it is bound, and does not require the consent of any third party that has not been obtained.

8. **Expenses.** If Hyatt is required to enforce this Guaranty in a judicial or arbitration proceeding and prevails in such proceeding, Guarantor shall reimburse Hyatt for Hyatt's costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If Hyatt is required to engage legal counsel in connection with any failure by the undersigned to comply with this Guaranty, the undersigned shall reimburse Hyatt for any of the above-listed costs and expenses Hyatt incurs even if Hyatt does not commence a judicial or arbitration proceeding.

9. **Effect of Bankruptcy.** In the event that, pursuant to any insolvency, bankruptcy, reorganization, receivership or other debtor relief law, or any judgment, order or decision thereunder, Hyatt must rescind or restore any payment, or any part thereof, received by Hyatt in satisfaction of the Guaranteed Obligations, as set forth herein, any prior release or discharge from the terms of this Guaranty given to Guarantor by Hyatt shall be without effect, and this Guaranty and the Guaranteed Obligations shall remain in full force and effect. It is the intention of Franchisee and Guarantor that Guarantor's obligations hereunder shall not be discharged except by Guarantor's performance of such obligations and then only to the extent of such performance.

10. **Notices.** All notices, consents, approvals and requests required or permitted hereunder shall be given in writing and shall be effective for all purposes (a) at the time delivered by hand; (b) at the time delivered via computer transmission if the sender has confirmation of a successful transmission; (c) one (1) business day after transmission by facsimile or other electronic system if the sender has confirmation of successful transmission; (d) one (1) business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery; or (e) three (3) business days after placement in the United States Mail by Certified Mail, Return Receipt Requested, postage prepaid, addressed as follows (or at such other address and Person as shall be designated from time to time by any party hereto):

If to Guarantor:

with a copy to:

If to Hyatt:

Hyatt Franchising, L.L.C.
150 North Riverside Plaza
Chicago, Illinois 60606
Attention: General Counsel
E-mail: office.of.general.counsel@hyatt.com

11. **Amendments.** This Guaranty may be amended only by an instrument in writing executed by the party or an authorized representative of the party against whom such amendment is sought to be enforced.

12. **Parties Bound; Assignment.** This Guaranty shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, heirs and legal representatives; provided, however, that Guarantor shall not, without the prior written consent of Hyatt, assign any of its rights, powers, duties or obligations hereunder.

13. **Counterparts.** To facilitate execution, this Guaranty may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each party, or that the signature of all persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Guaranty to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the undersigned has affixed its signature on the same day and year as the Agreement was executed.

GUARANTOR(S)

[ENTITYNAMECAPS]

By: _____

Name: _____

Title: _____

EXHIBIT D

DESIGN AND CONSTRUCTION STANDARDS

[EXHIBIT D TO FDDS AND AVAILABLE TO FRANCHISEES ON HYATTCONNECT]

DESIGN AND CONSTRUCTION STANDARDS

The development of all full service Hyatt-branded hotels must comply with the Hyatt-established Design and Construction Standards. Accordingly, each franchisee of a full service Hyatt-branded hotel is required to design, build, equip, furnish, and decorate the Hotel in conformity with the Design and Construction Standards and consistent with the Preliminary Area Program, subject to any modifications to the Preliminary Area Program required by or approved by Hyatt in writing. All capitalized terms not defined herein shall have the meaning set forth in the Franchise Agreement.

1. DEFINITIONS

“**Approve**” and “**Approval**” each mean approval in writing, including subsequent written confirmation of previous verbal approval.

“**Consultants**” means all of the architects and design consultants enumerated in section 1.2(a) of Exhibit A and such other design consultants, contractors and specialists that may be required for any aspect of the Project enumerated in section 1.2(b) of Exhibit A, as shall be necessary and appropriate.

“**Design and Construction Standards**” include (i) the Design Approval Process set forth in Exhibit A below; (ii) the terms and conditions set forth in this document, (iii) the Brand Experience Guide for the applicable brand, as communicated by Hyatt, (iv) the brand-specific FF&E specifications (if applicable), (v) the most current edition of the United States National Fire Protection Association (“**NFPA**”) Life Safety Code 101, NFPA Standard 13 – Standard for the Installation of Sprinkler Systems, and the NFPA - National Fire Alarm and Signaling Code 72 (or such other standard for sprinkler installation as Hyatt may approve in its absolute discretion), and (vi) and any other manuals and documents as reasonably specified by Hyatt relating to the Project. For the avoidance of doubt, references to the “**Design and Construction Standards**” shall mean the Design and Construction Standards as of the date of the Franchise Agreement between Hyatt and Franchisee. Where the requirements of applicable country and local codes and regulations exceed the standards required by Hyatt with respect to a specific item or topic, those applicable country and local codes and regulations will apply to that item or topic. Where the country and local codes and regulations do not address a particular issue or standard or are less stringent than the Design and Construction Standards with respect to such issue or standard, the Design and Construction Standards will govern.

“**Development Timetable**” means the required schedule for development, construction and Opening Date of the Hotel, as set forth in the Franchise Agreement.

“**FF&E**” means all fixtures, equipment, furnishings, furniture, telephone systems, communications systems, copiers, signs, all property management, revenue optimization, in-room entertainment, and other computer and technology systems, and other similar items that Hyatt periodically specifies for the Hotel.

“FF&E Manager” means an on-Site manager of FF&E, selected, trained and proposed by Hyatt and Approved by Franchisee, such Approval not to be unreasonably withheld, conditioned or delayed.

“Franchise Agreement” means the applicable Franchise Agreement between Hyatt and Franchisee for the development and operation of the Hotel.

“Franchisee” means the Franchisee identified in the Franchise Agreement and its affiliates engaged in the Project.

“Franchisee’s Representative” means the person appointed by Franchisee in writing to serve as Franchisee’s representative with respect to communications, including Approvals, between Franchisee and Hyatt in connection with the Project. Franchisee shall inform Hyatt in writing of any change in such Franchisee’s Representative.

“Hotel” means the Hyatt branded or affiliated Hotel as defined and described in the Franchise Agreement.

“Hyatt” means Hyatt Franchising, L.L.C.

“Legal Requirements” means any provision of law, including, without limitation, any statute, ordinance, regulation, rule, award or order of any governmental agency or tribunal having jurisdiction over the Project, the Hotel, its operations or the construction and/or development thereof.

“Peer Review” means a professional review of drawings, calculations, samples, measurements, and the like to determine the design performance of the various systems and building components, the accuracy of the information, the coordination and conflict resolution between the various elements, the identification of errors and omissions, compliance of the information with Legal Requirements, compliance of the means and methods of intended installation and construction with safety requirements, and the like.

“Preliminary Area Program” means the Preliminary Area Program set forth in the Franchise Agreement.

“Project” means Franchisee’s and its affiliates’ project to design, build, equip, furnish, and decorate the Hotel pursuant to the Franchise Agreement.

“Project Manager” means a suitably qualified project director, project manager or project management company with substantial experience in the development and construction of full service, upscale hotels.

“Site” means the site of the Hotel, as defined in the Franchise Agreement.

2. CONSULTANTS

Franchisee must engage and retain at its own expense all Consultants required for the Project, each of whom shall be agreed upon by Franchisee and Hyatt. Hyatt may, at its option, nominate to Franchisee each category of Consultants (with the exception of structural engineers) enumerated in section 1.2 of Exhibit A. To the extent that Franchisee has any existing consultants, contractors, or other design specialists and the work quality or the performance of any such existing consultants, contractors, or specialists does not meet Hyatt's standards, or is otherwise deemed unacceptable to Hyatt, Franchisee agrees to replace such consultants, contractors, or specialists with Consultants enumerated on Exhibit A and which have been agreed to by Hyatt, promptly at Hyatt's direction.

In addition to the Consultants, Franchisee agrees to engage and retain at its own expense a Project Manager, which shall be mutually selected by Hyatt and Franchisee. Franchisee shall engage the Project Manager within three (3) months following the effective date of the Franchise Agreement.

If required by Hyatt, Franchisee shall in addition to the Project Manager and the Consultants, engage and retain at its own expense an FF&E Manager to assist Franchisee and its Consultants and contractors to meet the Design and Construction Standards. The FF&E Manager shall be selected no later than fifteen (15) months and no earlier than eighteen (18) months prior to the Opening Date. The FF&E Manager shall be an employee or independent contractor of Franchisee and shall provide monthly construction and photographic reports to Hyatt in such forms as Hyatt may reasonably require. Franchisee will be required to pay the FF&E Manager's salary, benefits, housing (in the form of a fully furnished one (1)-bedroom apartment) and other customary and usual costs incidental to their engagement (including office space and administrative assistance, reasonable transportation to and from the Site, one (1) round trip economy class air ticket to the home of FF&E Manager for each twelve (12)-month period, local income taxes and local business travel).

Franchisee shall cause all Consultants and contractors to prepare full and adequate plans, layouts, specifications, drawings and designs, both interior and exterior, and models, colored renderings and material boards of quality suitable for advertising and promotion, with respect to the Hotel. The contracts between Franchisee and all such Consultants and contractors shall require that, where appropriate, such Consultants and contractors shall provide, at Franchisee's cost and expense, adequate training to the personnel of the Hotel in the use and maintenance of the building and all systems and installations therein and shall furnish to Franchisee and Hyatt, at the conclusion of the Project, three (3) full sets of "as-built drawings" (hard copies and in electronic format) as executed, and catalog cut sheets, operating manuals and instructions.

Franchisee shall cause and ensure that its Consultants and contractors cooperate with Hyatt in every respect in connection with Hyatt's review of the Project. Hyatt shall be entitled to conclusively rely on any instructions or Approvals given to it by Franchisee's Representative as being the instructions or Approvals of Franchisee.

Franchisee shall manage all aspects of the construction of the Project. In performing these responsibilities, Franchisee, either on its own or through its Consultants or contractors, shall, without limiting any other obligations of Franchisee:

- (a) Cause qualified and professionally licensed third party consultants expert in the commissioning of fire and life safety and MEP systems to test, balance and commission such systems, and to issue written reports to Franchisee and Hyatt certifying that they have tested, balanced and commissioned such systems and that such systems are fully operational and ready for use (such reports to be received by Hyatt prior to final review by Hyatt of the Project and turnover of the Hotel in accordance with the Franchise Agreement).
- (b) Provide Hyatt with certification from a qualified, professionally licensed independent structural engineer or firm, certifying that the Hotel building as designed and constructed meets or exceeds all applicable structural requirements, including without limitation seismic, wind, storm and flood, and all other applicable Legal Requirements.
- (c) Ensure that Franchisee's Consultants and contractors conduct a final work list and punch list survey of the Project and correct all defects prior to requesting final review and Approval of the Project by Hyatt. Upon correction of all defects and completion of all remaining work items identified on the punch list, Franchisee shall provide Hyatt with a copy of the punch list signed by the Consultants and contractors reflecting that such work has been completed to Hyatt's satisfaction, and shall request a final review of the Project by Hyatt.

3. PLANS, SPECIFICATIONS, AND DESIGNS

Any changes in or departures from the agreed plans, or such other items must be Approved by Hyatt, unless such changes are so minor as to have no impact on the quality, character and operation of the Hotel (and in the case of such minor changes, no Approval by Hyatt is necessary). Hyatt may withhold its consent to any and all departures from the Approved concepts, plans, layout specifications, drawings or designs, or such other items to be Approved by Hyatt, in its sole discretion, if Hyatt determines that such departure will cause the Hotel to fail to adhere to the Design and Construction Standards.

To the extent that any of the matters in this Section 3 involve compliance with the Design and Construction Standards, Franchisee shall cause its Consultants and contractors to implement the direction provided by Hyatt during the review process in order to ensure that the Project complies with the Design and Construction Standards.

Franchisee's contracts with all Consultants and contractors shall provide that all concepts, plans, specifications and designs, and any changes thereto or departures therefrom subsequently made, shall be submitted for Approval to Franchisee and Hyatt prior to implementation. Franchisee acknowledges that Hyatt's design and construction reviews shall not consist of a Peer Review, but rather are intended only to assist Franchisee and its Consultants in complying with their obligations. Such reviews do not relieve Franchisee or its Consultants of their responsibility to determine the completeness and coordination of their documents and to ensure that the design and construction of the Project comply with applicable Legal Requirements. Peer Review shall be conducted by third party professional consultants retained by Franchisee to review the Consultants' work.

Upon completion of the Project, Franchisee shall give Hyatt a written certificate or opinion from Franchisee's architect, licensed professional engineer, or recognized expert consultant stating that the Hotel conforms to all applicable Legal Requirements (including, without limitation, requirements governing public accommodations for persons with disabilities).

At Hyatt's request, Franchisee (i) must give Hyatt copies of all certificates of architects, contractors, engineers, and designers and such other similar verifications and information Hyatt reasonably requests and (ii) make available to Hyatt copies of all reports, studies, draw requests, schedules and other documents and materials of Franchisee, its contractors, suppliers and consultants relating to the design, construction and furnishing of the Hotel.

Hyatt shall have the right to visit the Site as often as reasonably necessary to ensure the Project is being developed, constructed and equipped in accordance with the Design and Construction Standards and in accordance with the Development Timetable. Hyatt will use reasonable efforts to provide Franchisee with twenty-four (24) hours' advance notice of any visits to be made to the Site by representatives of Hyatt or its affiliates in performance of services hereunder.

For the avoidance of doubt, the fees and expenses payable to all the Consultants (including, without limitation, the salary and expenses of the Project Manager and any FF&E Manager engaged by Franchisee in connection with the planning, building, furnishing, equipping and decorating of the Hotel, and any and all costs and expenses incurred by Hyatt's IT support services personnel), shall be paid directly by Franchisee independent of any fees paid by Franchisee under the Franchise Agreement.

4. SPARE PARTS

In addition to the FF&E to be included in the Project per the final plans and specifications for the Project, Franchisee shall, at Franchisee's sole cost and expense, cause the Project to include the spare parts set forth on Exhibit B attached hereto, which shall be a part of the Hotel upon the Opening Date. The quantities listed are the minimum acceptable. All quantities are to be rounded up to the next whole number.

Franchisee shall provide Hyatt with notification of any changes to the projected opening date of the Hotel (as set forth in the Franchise Agreement) as soon as Franchisee becomes aware of any such changes. In the event of a material delay of such projected opening date, Hyatt shall have the right to evaluate the Preliminary Area Program to ensure the Project's program continues to meet the Design and Construction Standards then in effect.

5. GENERAL TERMS

The use of Design and Construction Standards for the Project shall in no way give rise to any liability on the part of Hyatt or its affiliates for any defect or deficiency. Franchisee and its affiliates, consultants and other persons using the Design and Construction Standards must verify through their own means and consultants (architect, engineers, and other professionals), their compliance with any law and adequacy for the intended purpose. Hyatt and its affiliates make no

representation whatsoever in such regard. The quality of workmanship, and the adequacy and suitability of the plans, specifications, and design data for the Project are the sole responsibility of Franchisee.

Hyatt and its affiliates do not and cannot warrant or represent that the items listed in any documents, plans or reports provided by Franchisee meet all requirements, both written or interpreted, for local, state or other governmental guidelines for accessibility to persons with disabilities or local code enforcement for any additional accessibility requirements. Franchisee shall seek appropriate counsel to ensure such compliance so that such local, state, or other governmental requirements and the Preliminary Area Program.

Hyatt will not be liable for any errors or omissions in the plans and specifications or designs for the Hotel, or for any misfeasance or malfeasance by any specialists or consultant retained by Franchisee, whether or not upon the recommendation of Hyatt, or for any defects in design, manufacture, furnishings or construction, or for any operational deficiencies in the design or construction of the Hotel (including, without limitation, life safety systems and structural integrity), or any failure of any such plans or specifications to conform to applicable Legal Requirements, it being the intention of the parties that in conducting its review and rendering assistance to Franchisee, Hyatt will be functioning solely as a consultant sharing with Franchisee the benefit of its prior experience in the franchising of first-class hotels and its knowledge of guest preferences and market demands.

Wherever Hyatt is required to give its approval or consent on plans, specifications or any other item hereunder, Hyatt will use commercially reasonable efforts to give Franchisee, within fifteen (15) business days from dated receipt in Hyatt's Chicago office or regional offices, as directed by Hyatt, of the items to be approved, its approval or consent or its disapproval or non-consent. All items required to be delivered in hard copy format pursuant to Exhibit A shall be deemed received by Hyatt only upon receipt of all items in hard copy form. If Hyatt fails to give such a notice to Franchisee within the agreed-upon period, Franchisee may treat Hyatt's failure to give such notice as constituting consent or approval by Hyatt, provided that in no event shall such tacit approval shall (i) relieve Franchisee of its obligations to comply with Hyatt's mandatory standards relating to fire and life safety or applicable Legal Requirements or (ii) serve as a consent to any change to the Preliminary Area Program. Hyatt will employ commercially reasonable efforts during the course of the Project to adhere to the Project schedule developed by the project architect and Franchisee. Drawings and specifications approved by Franchisee and submitted by the architect to Hyatt for inspection and comment shall be deemed to be approved by Hyatt and to be incorporated in the design documents unless objection or recommendation is made by Hyatt within fifteen (15) business days of the receipt of the drawings and specifications with a clear and specific notation stating the outside response date. Upon substantial completion of the Hotel, Hyatt shall have the right to review the list of deficiencies and "punch-list" items that require correction.

Wherever Hyatt gives its Approval of plans and designs or specifications, no such Approval shall imply or be deemed to constitute an opinion by Hyatt on, nor impose upon Hyatt any responsibility for, the design or construction of building elements (including, but not limited to, means, methods, techniques, sequences, procedures for construction, structural integrity or fire and life safety

requirements or the adequacy of budgets), compliance with applicable Legal Requirements (including but not limited to environmental, construction density, labor or any other kind of regulations), or the obtaining of any necessary licenses, permits or authorizations, all of which shall be the exclusive responsibility of Franchisee, to be obtained and complied with at the cost and expense of Franchisee.

The scope of Hyatt's review and Approval of plans, designs and specifications is limited solely to brand adequacy and relationship of spaces, quality standards, and the aesthetics of the building for use as a hotel of the applicable brand (a "**Brand hotel**"). All reviews and Approval by Hyatt are for the sole and exclusive benefit of Franchisee and Hyatt and no other person or party shall have the right to rely on any such reviews or Approval by Hyatt. Notwithstanding Hyatt's right of review and Approval, Franchisee and Hyatt acknowledge and agree that none of the Consultants or other contractors of Franchisee will be agents or employees of Hyatt.

The Approval of any item by Hyatt shall not constitute a waiver by Hyatt of its right to insist upon strict compliance by Franchisee with any of the other provision of the Design and Construction Standards, or prevent Hyatt from requiring Franchisee to alter, remove, replace or repair any other item which was not previously Approved by Hyatt and which does not comply with the requirements of the Design and Construction Standards or any Legal Requirements.

All materials provided by Hyatt in connection with the Design and Construction Standards and the Design Approval Process are, and at all times shall remain, the exclusive intellectual property of Hyatt (and Hyatt shall have full ownership thereof), it being understood and agreed by Franchisee that such materials are being furnished for the use of Franchisee as a licensee solely in connection with the Franchise Agreement, and shall constitute "Confidential Information" for purposes of the Franchise Agreement.

EXHIBIT A

DESIGN APPROVAL REVIEW PROCESS

1. PREFACE / INTRODUCTION

1.1 Overview. Hyatt will advise Franchisee and its Consultants in the areas of architectural and interior design, Mechanical, Electrical and Plumbing (“**MEP**”) Systems, trade equipment specifications and layouts, audio/visual systems, telecommunications Systems, security systems and project systems.

Hyatt will advise Franchisee on timeframes to be mutually agreed to by the parties, taking into account the design and construction milestones set forth in Exhibit B of the Franchise Agreement:

Key Milestones	Additional Comments
Stakeholder Immersion Workshop	At Hyatt Corporate Office
Concept Design Presentation	Approval of Presentation is a Pre-Condition to further design progress
Mock-Up Room Package	Approval of Package is a Pre-Condition to further design progress
Schematic Design Presentation	Approval of Presentation is a Pre-Condition to further design progress
Kitchen & Laundry Coordination Workshop	
MEP, FLS, IT, A/V Coordination Workshop	
Mock-Up Room Review	
Design Development Presentation	Approval of Presentation is a Pre-Condition to further design progress
BOH Plans	
Revised Mock-Up Room Review	
Completion of Shell and Core	
Arrival of FF&E (FF&E Manager)	
Prototype Room Review	
Façade Completion	Pre-Condition to GM On-Boarding

Key Milestones	Additional Comments
Hotel Preliminary Opening Schedule Presentation To Franchisee	
Handover KOM With Franchisee and Operations	
Testing And Commissioning	Pre-Condition to moving on-site
FLS Inspection	Pre-Condition to moving on-site
Pre-Opening Period - On site	

Any omissions or items not specifically referenced in a Hyatt report does not constitute an Approval or Approval of missing Preliminary Area Program or the Design and Construction Standards. All Site visits are for the purpose of reviewing the general contractor's implementation of the Design and Construction Standards into the final building for the Project.

Hyatt will conduct some or all of the following activities as part of Hyatt's review of Franchisee's design and construction process for the Hotel:

- A. Provide, communicate and interpret the Design and Construction Standards for Franchisee and Franchisee's Consultants during all phases of the Project.
- B. Review the Development Timetable and Franchisee's project budget for the Project prepared by Franchisee for completeness and reasonableness.
- C. Attend design meetings and make periodic observations of the work throughout the Project in accordance with the Development Timetable Approved by Franchisee and Hyatt to advise and provide guidance to Franchisee and its Consultants in complying with the Design and Construction Standards.
- D. Provide operational and technical assistance to Franchisee in developing the Hotel in conformity with the Preliminary Area Program.
- E. Review and comment on each level of the design documents for the Project submitted by Franchisee at the completion of the design phases and the Project Schedule prior to moving onto the next step of design in accordance with the submittal process below. Any items that do not comply with the Design and Construction Standards and the Preliminary Area Program or are not otherwise aesthetically acceptable to Hyatt will be returned to Franchisee with a written explanation detailing the reasons for such non-compliance. **DESIGNS OR INCOMPLETE SUBMITTALS NOT APPROVED BY HYATT MAY NEED TO BE RESUBMITTED BY FRANCHISEE.**

- F. Upon determination by Hyatt that each level of the design documents submitted by Franchisee pursuant to the submittal process set forth in Section 11 below comply with the Design and Construction Standards, provide Hyatt's comments which may be delivered electronically, which shall constitute the acknowledgement by both parties that such documents are Approved by Hyatt, subject to such comments.
- G. Review other reports and studies provided by Franchisee's Consultants required for the design of the Project which consist of the final versions of all design documents and studies requested in prior submissions which have incorporated all Hyatt comments.
- H. Conduct a risk assessment and mitigation plan review to identify the level of potential threats and hazards to the Hotel and to determine the types and extent of security systems required to meet the Design and Construction Standards, provide on Background Drawings the location of certain security cameras and locking mechanisms, and provide review of drawings and plans from the security consultant indicating the location of security cameras and locks, and outline specifications. **"Background Drawings"** shall mean to scale floor plans, interior wall elevations and reflected ceiling plans prepared by the Approved architect clearly delineating structural grid, walls, partitions, columns, shafts and chases, such drawings generally devoid of dimensional lines and notations within perimeter walls.
- I. Consult with Franchisee to determine the appropriate quantities of operating equipment required to meet the Design and Construction Standards and needs of Hyatt to operate the Hotel.
- J. Prepare supplies documents for the operating equipment and review any substitutions thereto proposed by Franchisee.

1.2 Potential Consultants List

- a) Hyatt, at its option, may advise Franchisee regarding the selection of certain key consultants, providers and specialists for Franchisee to select and appoint, to the extent necessary and appropriate in relation to the scope including but not limited to:
- Design Architects (Total project)
 - Working (Local) Architects, Architects of Record
 - MEP Services Consultants (Hotel)
 - Interior Design Consultant (Limited to Program Implementation)
 - Interior & Exterior Lighting Consultants (Limited to Program Implementation)
 - Landscape Designer
 - Food Service/Kitchen Consultant or Providers
 - Food & Beverage Consultant (where required)

- Audio Visual Consultant or Providers
 - Graphics and Signage Consultant or Providers
 - Communications and Information Technology Consultant or Providers
 - FF&E and Operating Equipment Purchasing Agent
 - Technical Spa Specialist, if applicable to Project
 - Branding Consultant, if applicable to Project
- b) Franchisee may be required to engage certain of the following key consultants, providers and specialists:
- Structural Engineers
 - Vertical Transportation/Elevator Consultant or Providers
 - Building Security and Fire Protection Consultant
 - Acoustics Consultant
 - Security Consultant
 - Sustainable Design Consultant
 - Fire and Life Safety/LEED Consultant
 - Testing and Commissioning Consultant
 - Artwork Consultant
 - Uniform Designer
 - Curtainwall/Façade Consultant
- c) Following Franchisee's selection of all key consultants, Hyatt will review all selections, prior to the engagement of any consultant, for Approval by Hyatt. All consultants must have previous experience with similar type projects and must provide a presentation along with resumes of key personnel that would be working on the Project. Hyatt will provide Franchisee with the Preliminary Area Program and Franchisee will provide this same information to each consultant. Hyatt will provide a detailed explanation of the Design and Construction Standards and the Preliminary Area Program information to the potential consultants or providers. Hyatt will be available for additional explanation once a short list of consultants has been established. It may be necessary for key consultants to travel to the Hyatt offices in Chicago, Illinois, USA or the Division Office if so directed by Hyatt for a final interview.

2. DESIGN PLANNING AND DEVELOPMENT

- 2.1. Hyatt may, at its option, participate in all phases of the Hotel design process in order to assist with the full and proper implementation of the relevant Design and Construction Standards, and in this connection shall provide review, recommendations, comments and approval to the key consultants relating to:
- Conceptual designs and planning exercises submitted by Franchisee's consultants for Hyatt review and approval

- Schematic documents including basis of design drawings, sketches, renderings, and short form specifications that fix and describe the size and character of the Hotel project
 - Design development documents including drawings, sketches, system schematics, schedules and specifications, material samples and specifications, FF&E layouts, samples and specifications
 - Final construction documents including fully-coordinated drawings, specifications, samples, and value engineering exercises.
- 2.2. In addition to the above, Hyatt may deliver the following services during the design planning stages:
- Inspection, review and formal recording of the mock-up room (constructed physical representation of the designed guestroom) presentation with a detailed report submittal to Franchisee
 - Inspection, review and formal recording of the prototype room (constructed physical representation of the designed guestroom) presentation with a detailed report submittal to Franchisee
 - Attendance at key design coordination meetings as mutually agreed by Franchisee and Hyatt
 - Review, recommend and comment on the plans showing functional “Back of House” layouts and key FF&E and millwork

3. FF&E SELECTION AND RECOMMENDATIONS

- 3.1. Hyatt will provide to Franchisee and the key consultants guidance on FF&E, as applicable, through some or all of the following activities:
- Review the preliminary FF&E budget prepared by Franchisee in accordance with the approved Hotel project description and design statement, Preliminary Area Program and operational concepts
 - Review and comment on the preliminary FF&E budget in accordance with approved project design development (it being understood and agreed that Hyatt and its affiliates do not and cannot warrant or guarantee that the necessary FF&E can be obtained within the parameters of the FF&E budget)
 - Participate in the selection of suppliers
 - Review of relevant consultants’ FF&E specifications and anticipated costs and preparation of review report containing approval or requirements for modification, correction and re-submittal
 - Facilitate the review of computer and telephone equipment schedules and specifications with Hyatt’s IT Support Personnel
 - Submittal of product specifications for key operational items

- Review and approval of revised FF&E specifications in the event that competitive tendering results exceeded approved FF&E budget, to the extent Hyatt has agreed that to do so is feasible without compromising the Design and Construction Standards
- Review of food and beverage and spa concepts.

3.2. Hyatt reserves the right to withhold approval of any FF&E items that:

- Exceed the approved FF&E budget
- Are operationally incorrect or unsuitable or do not meet Design and Construction Standards
- Do not meet Hyatt product specifications or design minimum standards

4. CONSTRUCTION PHASE AND PREPARATION FOR OPERATIONS

4.1. Hyatt may, for the purpose of ensuring compliance with the approved design documentation and minimum standards, engage in the following activities:

- Undertake site visits in an amount and on a schedule as mutually agreed by Franchisee and Hyatt, together with provision of reports and recommendations
- Request, as is reasonably diligent, the submittals of subcontractors' shop drawings and supply specifications together with the relevant consultants' review comments and recommendations
- Provide comments, as appropriate for design intent only, on select shop drawings and supply specifications
- Liaise with appointed Project Manager on site progress, scheduling and the inspection sequencing and the preparation for the operation of the Hotel
- Coordinate the pre-opening inspection of fire and life safety systems by a consultant that is pre-qualified by Hyatt, at Franchisee's expense
- Review and comment on system, equipment, material, and manufacturer vendor selections and submittals, especially for critical systems/equipment including, but not limited to, chillers, boilers, emergency generators, transformers, fire detection and alarm systems, building automation systems, security systems, elevators and escalators, lighting control systems, audio/visual systems, voice and data systems, TV systems, water treatment systems, air handling systems, etc.

5. FIRE AND LIFE SAFETY SYSTEMS AND MEP TESTING & COMMISSIONING

5.1. Franchisee shall ensure that all fire and life safety and MEP systems and components are completed, tested and commissioned in preparation for Hyatt's inspection prior to commencement of Hotel operations. A timetable detailing the dates and duration of each system's and components' testing and commissioning period shall be submitted to Hyatt to allow the attendance and witnessing of all testing and commissioning procedures by the relevant consultants and Hyatt.

- 5.2. Hyatt will not be able to approve any fire and life safety and MEP system or component that has not been fully tested and commissioned with recorded results. Prior to occupation and operation of the building, in whole or in part, a third party audit of the Hotel's fire and life safety systems must be completed by or on behalf of Franchisee, at Franchisee's expense. Franchisee shall provide a copy of such audit report to Hyatt. All noted deficiencies must be completed by Franchisee to Hyatt's satisfaction prior to the occupation and operation of the Hotel.

6. INSPECTION BY HYATT

- 6.1. Following receipt of a pre-opening inspection report (prepared by Consultants) and subject to a satisfactory level of completion achieved, Hyatt will conduct its own inspection and detail in a report to Franchisee:
- Variances from approved minimum standards or subsequently approved contract specifications
 - Defective architectural, fire and life safety and MEP or interior works
 - Defective, missing or incomplete FF&E
- 6.2. Hyatt will not be able to assess any areas for which a report detailing its comments has not been prepared and circulated, or with respect to any areas which have not been substantially completed and installed with FF&E.

7. APPROVAL BY HYATT / HYATT MANAGEMENT PERSONNEL

- 7.1. Hyatt will issue its approval for the Hotel's management personnel to take over provisional occupancy of the relevant area and the operation of any supporting fire and life safety and MEP system and components only following the preparation and submission to the Franchisee of Hyatt's inspection reports and the remedy of any substantial defects contained therein. Any such takeover shall not imply Hyatt's final approval of the area, system or component, which shall be subject to full load testing under operating environment and conditions and the remedy of all recorded, hidden and latent defects.
- 7.2. Hyatt will not be able to approve for the Hotel's management personnel to take over any areas in which non-hotel personnel have access. Such areas may be mutually utilized by all parties until they can be secured, completed, inspected and prepared for handover to the Hotel's management personnel.
- 7.3. All areas, which have been provisionally taken over by the Hotel's management personnel, shall be under their full control including all keying systems and issuance of keys.
- 7.4. All costs associated with the Hotel's management personnel's provisional area occupation, such as energy consumption, including that used for the testing and

commissioning of the fire and life safety and MEP systems and components, and security attendance at the project site prior to the formal opening, shall be paid for by Franchisee.

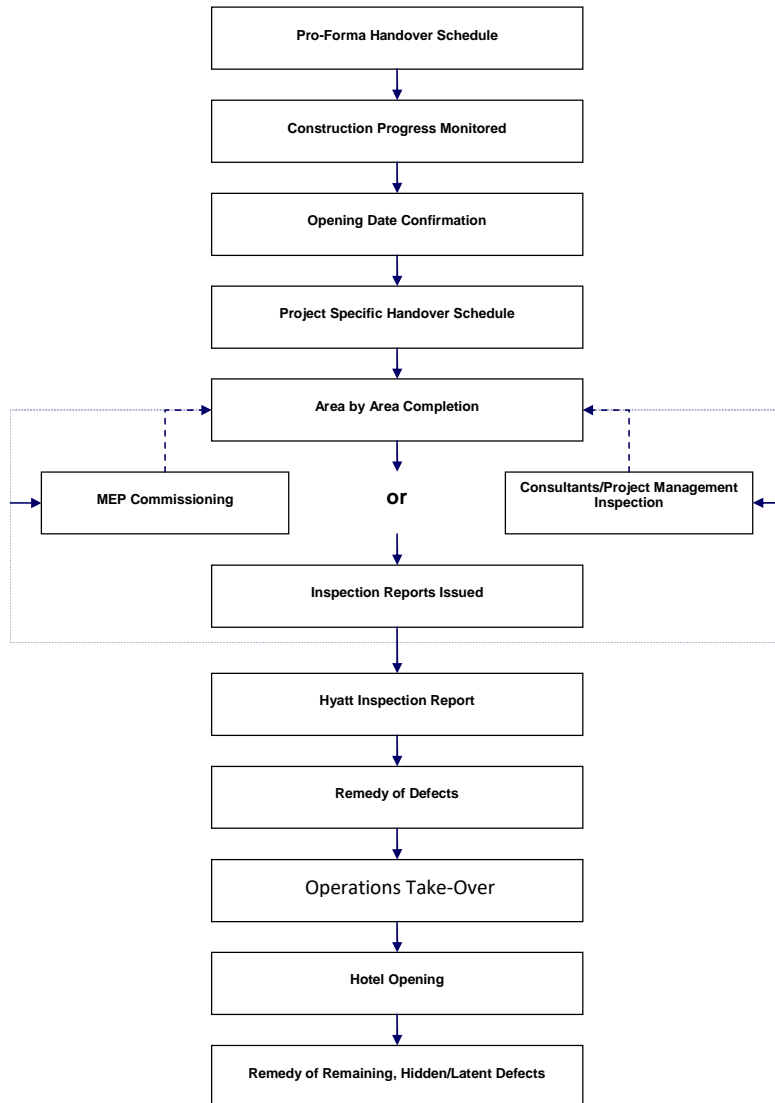
8. FORMAL OPENING OF HOTEL/PRO-FORMA HANDOVER SCHEDULE

8.1. The formal opening of the Hotel shall occur in accordance with the terms and conditions set forth in the Franchise Agreement. Construction progress shall be monitored. Hyatt and Franchisee shall mutually agree upon a handover schedule together with a diagram showing the sequence of the area-by-area handover.

8.2. The following example table will be tailored and agreed to by the parties for the Hotel project:

Ten Weeks Prior to Opening	Eight Weeks Prior to Opening	Six Weeks Prior to Opening	Four Weeks Prior to Opening	Three Weeks Prior to Opening	Two Weeks Prior to Opening	One Week Prior to Opening
Purchasing/ Materials Management Offices	All Retail Areas for Tenant Fit-Out	Indoor & outdoor pools & spa	Reception/ Concierge, Front Desk, Business Center	50% remaining Restaurants and Bars	Remaining Restaurants and Bars	Outdoor Facilities, Parking Lot, & Landscaping
Human Resources/ Training Offices Executive Offices	15% of Guestroom Count, Corridors & BOH Areas	30% of Guestroom Count, Corridors & BOH Areas (completed floors only)	50% of Guestroom Count, Corridors & BOH Areas (completed floors only)	80% of Guestroom Count, Corridors & BOH Areas (completed floors only)	Remaining Guestrooms, Corridors, & BOH Areas	
PABX Equipment Room & Operators Area	All remaining Hotel Offices in BOH & FOH Areas	Employee Lockers Employee Dining Room	Café Restaurant Receiving Areas	Fitness Center	Hotel Entry	
	All Storerooms and Workshops	Ballrooms and Meeting Rooms Support Areas	Laundry & Valet Area	Remaining Meeting Rooms	Hotel Lobby and remaining Public Areas	
Employee residences (if applicable to the Project)	Computer Equipment Room	Banquet Kitchen	Uniform Issue Area	Guestroom Elevators	Club Lounge	
Service Elevators	F&B Stores & Preparation Areas	Service Elevators	Remaining Kitchens		Remaining Elevators	

9. HOTEL PROJECT COMPLETION SEQUENCE



10. DESIGN AND CONSTRUCTION STANDARDS COMPLIANCE

- The Design and Construction Standards shall be regarded as the criteria of the minimum recommendations and requirements for the design of all new Brand hotels operated by affiliates of Hyatt, or renovations of existing facilities in such hotels. In addition, the current Design and Construction Standards for the Brand hotel shall be referenced when undertaking any new building or renovation project.
- Adherence to these standards, or other Hyatt criteria or approval, shall not relieve the architect and/or other consultants and designers of the responsibility of

conforming to all legally adopted codes and standards, other governmental requirements and good professional design practice. Where designs deviate from applicable codes and standards, approval or approval by the Authority Having Jurisdiction (AHJ) shall be documented and kept on file by Franchisee.

- Throughout the Design and Construction Standards references are made to contacting and/or obtaining approval from Hyatt. Hyatt's Representative shall be appointed at the beginning of the design process for new hotels, and shall be responsible for project oversight on behalf of Hyatt. Hyatt will designate a qualified employee of one of its affiliates to act as the Hyatt Representative and, to the extent that Hyatt does so, all references to Hyatt in this document shall be deemed to include all such employees of Hyatt's affiliates.

11. FRANCHISEE DELIVERABLES

11.1. All Franchisee deliverables described in or required under this Exhibit (the “**Franchisee Deliverables**”) shall be prepared and submitted for approval by Hyatt in accordance with a schedule to be mutually agreed by Franchisee and Hyatt, and such Franchisee Deliverables shall be directed to Hyatt at: Americas.Design.Services@hyatt.com, or such other address as specified by Hyatt. The following is an outline of the required Design Review Submittal Process that will facilitate the review and release of the design plans, construction plans and specifications as well as the subsequent completion of a new Brand hotel. All reviews and releases shall be in English, in writing or Franchisee shall provide Hyatt with an English written translation. Submittal of all design and construction plans and specifications are to be made in hard copy format as follows:

A Hyatt Representative will be in attendance at key design coordination meetings as mutually agreed by Franchisee and Hyatt:

1. **Conceptual Design Submittal** – This step shall contain the conceptual designs and planning exercises and shall be submitted to Hyatt at the milestones indicated below. The conceptual design documents will include at minimum the following items, without limitation.

- Layout plans
- Sketches and conceptual imagery to illustrate the general planning and design aesthetic for the Project.
- MEP, FLS, IT Basis of Design Narrative

Unacceptable designs or incomplete submittals may need to be resubmitted. Hyatt will issue a formal review prior to moving onto the next step. A 50% concept design presentation and a 100% concept design document submittal shall be submitted by Franchisee or its Consultants according to the deadlines specified by Hyatt for the Project. After review of physical installed Mock-up Room, all final

approved FF&E and architectural finishes and designs to be installed in a Prototype Room within the hotel structure, as a first-in-place example of approved design, fit, finish, and workmanship.

2. **Schematic Design Submittal** – This step shall contain documentation sufficient to review the general building and landscape concept, guest room layouts, public space layouts, and BOH blocking and shall be submitted to Hyatt at the milestones indicated below. The schematic design documents will include at minimum the following items, without limitation.

- Completed Site Plan
- Individual Floor Plans
- All Building Elevations
- Roof Plan
- Full Building Cross Section
- Food Service Equipment Plans
- Laundry Equipment Plans
- Operations Basis of Design for Food Service and Laundry including sizing for Laundry
- MEP, FLS, IT Plans denoting major Systems and Equipment
- Material Imagery and Samples (inclusive of BOH areas)
- Furnishings Imagery
- Exterior Signage schematics

Unacceptable designs or incomplete submittals may need to be resubmitted. Hyatt will issue a formal review prior to moving onto the next step. A 50% schematic design presentation and a 100% schematic design document submittal shall be submitted by Franchisee or its Consultants according to the deadlines specified by Hyatt for the Project.

3. **Mock-up Room Submittal** – This step shall contain a complete set of all documentation necessary for construction and procurement of the mock-up rooms and corridor mock-up section and shall be submitted to Hyatt at the milestones indicated below. The mock-up room documents will include at minimum the following items, without limitation.

- Architectural Drawings
- Interior Design Drawings
- Lighting Design Drawings
- MEP Drawings
- FLS Drawings
- IT Drawings
- A/V Drawings
- Schedules and Specifications

- Material Samples and Specifications
- FF&E Layouts
- FF&E Samples and Specifications.

Unacceptable designs or incomplete submittals may need to be resubmitted. Hyatt will issue a formal review prior to moving onto the next step. A 100% mock-up room document submittal and a mock-up room review and presentation shall be submitted by Franchisee or its Consultants according to the deadlines specified by Hyatt for the Project.

4. **Design Development Submittal** – This step shall contain a complete set of all progress plans and specifications, construction documents and fire and life safety and MEP narrative, with sufficient details and dimensions to ascertain whether basic criteria is being incorporated and shall be submitted to Hyatt at the milestones indicated below. The design development documents will include at minimum the following items, without limitation.

- Architectural Drawings
- Interior Design Drawings
- Landscape Drawings
- Pool / Water Feature Drawings (if applicable)
- Lighting Design Drawings
- MEP Drawings
- FLS Drawings
- IT Drawings
- A/V Drawings
- Keyed Food Service Equipment Plans and Elevations
- Keyed Laundry Equipment Plans and Elevations
- Sketches as required
- System Schematics
- Schedules and Specifications (inclusive of BOH areas)
- Material Samples and Specifications (inclusive of BOH areas)
- FF&E layouts (inclusive of BOH areas)
- FF&E Samples and Specifications. (inclusive of BOH areas)
- Exterior Signage Drawings

Unacceptable designs or incomplete submittals may need to be resubmitted. Hyatt will issue a formal review prior to moving onto the next step. A 50% design development presentation and 100% design development document submittal shall be submitted by Franchisee or its Consultants according to the deadlines specified by Hyatt for the Project.

5. **Construction Documentation Submittal** – This step shall include a complete and fully coordinated set of final constructions documents for the

construction of the Project, for review and approval by Hyatt and shall be submitted to Hyatt at the milestones indicated below. Hyatt will review for compliance with brand standards and comment on any required modifications for permitting. The final submittal shall be properly sealed by the licensed architect of record and respective engineers. All construction documents for the Project shall be submitted to Hyatt at the milestones indicated below. The construction documents will include at minimum the following items, without limitation.

- Architectural Drawings
- Interior Design Drawings
- Landscape Drawings
- Pool / Water Feature Drawings (if applicable)
- Lighting Design Drawings
- MEP Drawings
- FLS Drawings
- IT Drawings
- A/V Drawings
- Food Service Drawings
- Laundry Drawings
- All Value Engineering Exercises
- Schedules and Specifications Material Samples and Specifications, including locations of all specified items
- Keyed FF&E Plans
- FF&E Samples and Specifications
- Exterior Signage Drawings

Incomplete or unsealed plans and specifications will not be reviewed. Hyatt will issue a formal endorsement prior to starting construction. A 90% construction documents submittal for Hyatt comment, and 100% construction documents submittal shall be submitted (for Hyatt's records only) by Franchisee or its Consultants according to the deadlines specified by Hyatt for the Project.

The Design and Construction Standards for construction material and equipment standards indicate a level of construction, performance, fit, finish and appearance of the materials and equipment designated to be installed in a Brand hotel. Products and materials manufactured by others that meet or exceed the established criteria will be considered. All deviations from those products and materials contained herein are to be reviewed by Franchisee's architect for the project who will verify, in writing to Hyatt that the requested deviations meet or exceed those products and materials noted herein within certain limitations. The Project Manager will forward the submittal along with his verification letter to Hyatt for review and consideration. Hyatt will notify the Project Manager whether or not the submittal is acceptable.

EXHIBIT B
SCHEDULE OF SPARE PARTS

The following spare parts shall be provided by Franchisee and delivered to Hyatt at the Hotel at Franchisee's cost and expense before the Opening Date. The quantities listed are the minimum acceptable. All quantities are to be rounded up to the next whole number.

<u>Item</u>	<u>Quantity</u>
Typical Guest Room lockset	Minimum of 3 per 100 Guest Rooms
Typical Guest Room TV sets	1 per 100 Guest Rooms
Guest Room telephone sets	Minimum of 3 per 100 Guest Rooms
Sprinkler heads	As per manufacturer recommendation
Complete new set of filter for all Air Handling Units (AHU) and Guestrooms Fan Coils (FCU)	
Guest Room Furniture	Minimum 1 per 100 each type installed
Carpet, Guestrooms & Corridors:	5% for each type installed.
Carpet, Public Areas:	5% or 1 full pattern repeat of each type installed.
Wallcoverings:	Minimum 5% for each type of soft good material installed.
Key Card Energizer	3 per 100 installed (if present)
Power outlets, Wall Switches, Complete set including metal/plastic plates	Minimum 5 per type installed
Shaving Outlets	5 per 100 Guest Rooms (if present)
CFL and LED Bulbs	5% each type installed. (Minimum of 10 of each type installed to be provided.)
Incandescent and Halogen Bulbs	15% each type installed. (Minimum of 15 of each type installed to be provided.)
Low Voltage Transformer for Lighting	5% each type installed. (Minimum of 5 of each type installed to be provided.)

Ballasts/Starters	5% each type installed. (Minimum of 5 of each type installed to be provided.)
Shower Heads and Shower Hoses	5% each type installed. (Minimum of 5 of each type installed to be provided.)
Laundry and Dry Cleaning Equipment	As per manufacturer recommendation
Drive Belts for HVAC	1 exchange V-Belt per unit
Room Thermostat (Guestrooms, public areas, BOH)	2% each type installed. (Minimum of 2 of each type installed to be provided.)

HVAC equipment: All systems utilizing replaceable media filters to be provided with one (1) complete spare set of filters, in addition to the new filters to be installed on approval of each unit.

Chilled & Cold Water pumps. Enough packing to repack all pumps or 1 set of mechanical seals

Diesel Generator fuel oil storage tanks and onsite LPG stationary tanks (or LPG cylinders) to be re-filled on approval of each unit

Plumbing systems: Cleaning, flushing of the systems and disinfecting required at commissioning. When chemicals &/or softener treatment plant installed, all chemicals and salt containers to be re-filled on approval of each system

All remaining decorative, FF&E unused material (including without limitation to Carpet, Wall Vinyl, Floor & Ceiling tiles, paint)

EXHIBIT E

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process.

There also may be additional agents appointed in some of the states listed.

CALIFORNIA

Commissioner of Department of Financial
Protection & Innovation
Department of Financial Protection &
Innovation
Toll Free: 1 (866) 275-2677

Los Angeles

Suite 750
320 West 4th Street
Los Angeles, California 90013-2344
(213) 576-7500

Sacramento

2101 Arena Boulevard
Sacramento, California 95834
(866) 275-2677

San Diego

1455 Frazee Road, Suite 315
San Diego, California 92108
(619) 525-4233

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94104-4428
(415) 972-8559

HAWAII

(for service of process)

Commissioner of Securities
Department of Commerce
and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

(for other matters)

Commissioner of Securities
Department of Commerce
and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

(for service of process)

Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

(state agency)

Indiana Secretary of State
Securities Division
Room E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

MARYLAND

(for service of process)

Maryland Securities Commissioner
at the Office of Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

(state agency)

Office of the Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

MICHIGAN

Michigan Attorney General's Office
Consumer Protection Division
Attn: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48933
(517) 335-7567

MINNESOTA

Commissioner of Commerce
Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1600

NEW YORK

(for service of process)

Attention: New York Secretary of State
New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001
(518) 473-2492

(Administrator)

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8236

NORTH DAKOTA

(for service of process)

Securities Commissioner
North Dakota Securities Department
600 East Boulevard Avenue, Suite 414
Bismarck, North Dakota 58505
(701) 328-4712

(state agency)

North Dakota Securities Department
600 East Boulevard Avenue, Suite 414
Bismarck, North Dakota 58505
(701) 328-2910

OREGON

Oregon Division of Financial Regulation
350 Winter Street NE, Suite 410
Salem, Oregon 97301
(503) 378-4140

RHODE ISLAND

Securities Division
Department of Business Regulations
1511 Pontiac Avenue
John O. Pastore Complex-Building 69-1
Cranston, Rhode Island 02920
(401) 462-9500

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA

(for service of process)

Clerk, State Corporation Commission
1300 East Main Street
First Floor
Richmond, Virginia 23219
(804) 371-9733

(for other matters)

State Corporation Commission
Division of Securities and Retail Franchising
Tyler Building, 9th Floor
1300 East Main Street
Richmond, Virginia 23219
(804) 371-9051

WASHINGTON

(for service of process)

Director Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501
(360) 902-8760

(for other matters)

Department of Financial Institutions
Securities Division
P. O. Box 9033
Olympia, Washington 98501-9033
(360) 902-8760

WISCONSIN

(for service of process)

Administrator, Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-2139

(state administrator)

Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-9555

EXHIBIT F
SYSTEM STANDARDS TABLE OF CONTENTS

Hyatt Regency Hotel

Our Hyatt Brand / About Hyatt Regency	23 pages
Marketing Communications.....	123 pages
Design & Environment	53 pages
Hotel Collateral	116 pages
Operational Resources	39 pages

TOTAL PAGES: 354

EXHIBIT G
CONFIDENTIALITY AGREEMENT

G

CONFIDENTIALITY AGREEMENT

This CONFIDENTIALITY AGREEMENT (this "Agreement") is made as of this _____ day of _____, _____, by and between _____, a[n] _____, whose address is _____ ("Company") and HYATT FRANCHISING, L.L.C., a Delaware limited liability company, whose address is 150 North Riverside Plaza, Chicago, Illinois 60606 ("Hyatt"). Hyatt and/or Company may each also be referred to herein as a "party" or collectively as the "parties" and a party which is disclosing Confidential Information may be referred to herein as the "disclosing party" and the party which is receiving Confidential Information may be referred to herein as the "receiving party."

RECITALS

A. Company and Hyatt are discussing mutual business opportunities relating to the possible transaction (the "Transaction") with respect to the property commonly known as _____ (the "Property") and the hotel business conducted thereon (the "Business") and Company and Hyatt desire to share certain Confidential Information (as defined herein) with each other, subject to the terms contained herein.

B. Hyatt and Company wish to enter into this Agreement to confirm that the Confidential Information will be treated as confidential in accordance with the terms of this Agreement, and to provide the parties hereto with certain rights and remedies in connection with the violation of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Confidential Information. "Confidential Information" shall mean the information provided by either party to the other with respect to the Property and Business including, but not limited to, the following: (a) management and operational information, forecasts, and projections; (b) financing information; (c) proprietary know-how, data, documents, designs, photographs, plans, graphs, drawings, specifications, pro forma models, reports, contracts, customer lists, pricing information, studies, findings, and other ideas; (d) entity information relating to the disclosing party including, without limitation, any joint venture agreement, limited liability company agreement or similar arrangements; (e) documents relating to real property interests including, but not limited to, environmental reports and audits; (f) information that should be treated as confidential under the circumstances surrounding its disclosure, including without limitation, proprietary information of Hyatt; (g) any information of Hyatt clearly identified as a "Hyatt Trade Secret"; and (h) any discussion between Hyatt and the Company with respect to any of the foregoing, the Property, the Business, the possible business relationship, and this Agreement in general, including without limitation, the fact that any such discussions are taking place or any business relationship is being discussed, and the content and terms thereof.

2. Exclusions. The term Confidential Information does not include information which (A) was or becomes generally available to the public other than as a result, directly or indirectly, of any disclosure by the receiving party hereunder, or (B) was or becomes available to the receiving party on a non-confidential basis from a source other than the disclosing party or its employees, agent or representatives, provided that such source is not, to the receiving party's knowledge, bound by a confidentiality agreement or otherwise prohibited from transmitting the information to the receiving party by contractual, legal or fiduciary obligations, (C) was within the possession of the receiving party prior to its being furnished to the receiving party by the disclosing party, or (D) information which is incorporated into analyses, studies or internal reports, provided, however, such information, studies, analyses or reports shall be kept confidential in accordance with the receiving party's policies and procedures it uses to protect and safeguard its own client confidential information.

3. Covenants Regarding Confidential Information. The receiving party shall hold all Confidential Information received in confidence and take all necessary steps to keep the Confidential Information confidential with its then current protocols in order to maintain the confidential nature of the Confidential Information in accordance with the terms hereof. The receiving party may only use Confidential Information for evaluation purposes with respect to the Property and the Business in relationship to the Transaction and may not disclose the Confidential Information to any third party other than to its affiliates, related companies, partners, employees, directors, officers, legal counsel, accountants, prospective lenders, consultants, advisors, principals, and existing investors (collectively, the “Representatives”) who have a need to know Confidential Information, provided that the party which shares the Confidential Information with its Representatives shall inform all such Representatives to maintain the confidentiality of the Confidential Information. Receiving party shall be liable for a breach of this Agreement by its Representatives; provided, however, the receiving party shall not be responsible for any breach of this Agreement by a Representative that has executed a separate confidentiality agreement with the disclosing party with respect to the Transaction.

4. Ownership of Confidential Information. All Confidential Information disclosed by a disclosing party, directly or indirectly, shall remain the exclusive property of such party. Further, the disclosing party does not grant any license or rights to any Confidential Information, trademark, trade name or trade secret to the other party.

5. No Representation or Warranty. The disclosing party does not (a) make any guarantee, warranty or representation whatsoever, expressed or implied, as to the accuracy or completeness of the Confidential Information, and (b) have any liability whatsoever to the receiving party relating to or resulting from the use of the Confidential Information or any errors therein or omissions therefrom. The receiving party agrees that it is not entitled to rely on the accuracy or completeness of any Confidential Information.

6. Destruction of Confidential Information by Company. Each of the parties shall immediately destroy all Confidential Information and all copies or summaries of Confidential Information at the earlier of (a) the termination of discussions between Company and Hyatt regarding the Project or (b) on the written request of the disclosing party. Notwithstanding the foregoing, receiving party and its Representatives may retain one copy of Confidential Information as may be required by (i) law, regulation or legal process, (ii) internal compliance or document retention policies, or (iii) with respect to digital media, such return or destruction is not practically feasible. Any Confidential Information so retained shall kept confidential in accordance with such party’s policies and procedures it uses to protect and safeguard its own client confidential information. The receiving party shall also provide to the disclosing party a certification executed by a duly authorized officer who has supervised compliance with the foregoing indicating that the requirements of this provision have been satisfied in full.

7. Term. Except as otherwise set forth herein, the obligations set forth in this Agreement shall terminate upon the execution of definitive agreements between the parties with respect to the Transaction or two (2) years from the date of this Agreement, whichever occurs first; *provided, however*, that notwithstanding the termination of this Agreement, the confidentiality obligations of the Company with respect to a Hyatt Trade Secret shall continue until the later of (i) five (5) years from the date of this Agreement, and (ii) until such time that Hyatt has provided notice that the Hyatt Trade Secret is no longer deemed by Hyatt to be a trade secret.

8. Indemnity. Company acknowledges and agrees that it presented the Property and Business to Hyatt and initiated all discussions with Hyatt surrounding the Property and Business. Company agrees to indemnify, defend and hold harmless Hyatt for, from and against any and all Claims. For purposes of this Agreement, “Claims” shall mean any and all claims, demands, actions, penalties, suits and liabilities, in connection with, arising from, or for any reason related to (i) negotiations relating to the Property or Business in violation of any existing management or similar agreement relating to the branding, operation or use of the Property (the “Existing Agreements”) and/or (ii) the termination of the Existing Agreements, as a result of any such negotiations.]

9. Remedies and Waiver. The parties hereby acknowledge the importance of complying with the provisions of this Agreement. Therefore, the parties agree that money damages, which the parties agree would be substantial, would not be a sufficient remedy for any breach of this Agreement, and a party shall be entitled, in addition to money damages, to specific performance and injunctive relief and any other appropriate equitable remedies for any such breach. The party at fault agrees not to oppose the granting of equitable relief on grounds that damages are sufficient, and agrees not to require that the other party prove that damages are insufficient in order to obtain equitable relief or the posting of a bond. The party at fault agrees to waive, and to cause its Representatives to waive, any requirement for the securing or posting of any bond in connection with such remedy. Such remedies shall not be deemed to be the exclusive remedies for a breach of this Agreement, but shall be in addition to all other remedies available at law or in equity to a party. **THE PARTIES WAIVE THE RIGHT TO A TRIAL BY JURY IN ANY SUCH DISPUTE.** The prevailing party in any dispute regarding the enforcement of this Agreement shall be entitled to reasonable legal fees and expenses, which such prevailing party incurred in connection with such enforcement.

10. Compulsion by Law. If a receiving party is requested or required (by oral questions, interrogations, requests for information or documents, subpoena, civil investigative demand or similar process) to disclose any Confidential Information, the receiving party shall, to the extent legally permissible, provide the disclosing party with immediate notice of such request(s) so that the disclosing party may seek an appropriate protective order and/or waive compliance with the provisions of this Agreement. The receiving party agrees to cooperate with the disclosing party, at the disclosing party's expense, in obtaining such a protective order. If the receiving party does not obtain such protective order or other remedy, the receiving party agrees to furnish only that portion of the Confidential Information which, in the opinion of the receiving party's counsel, the receiving party is legally compelled to disclose and the receiving party agrees to use its reasonable efforts to obtain assurance that, to the extent possible, confidential treatment will be accorded the Confidential Information.

11. Relationship. Nothing herein contained shall be construed to create an agency, joint venture, partnership or other form of business association between Hyatt, Company, and their respective affiliates, related companies, partners, employees, directors, officers, legal counsel, consultants or accountants hereto. By receiving the Confidential Information, neither party nor their respective officers, directors, employees, agents, prospective lenders, consultants, or principals are under any obligation to negotiate in respect of a transaction with respect to the Property or Business, the parties will not be bound by any verbal agreement, and either party may terminate at any time discussions with the other party, its officers, directors, employees, agents, prospective lenders or principals, at its sole and absolute discretion.

12. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which, when taken together, shall be deemed one agreement, but no counterpart shall be binding unless an identical counterpart shall have been executed and delivered by each of the other parties hereto. Documents executed, scanned and transmitted electronically in PDF format and/or electronic signatures shall be deemed original signatures for purposes of this Agreement and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures.

13. Governing Laws. This Agreement will be governed by and construed in accordance with the laws of the State of New York and the laws of the United States applicable therein.

14. Jurisdiction. For the purposes of all legal proceedings, this Agreement will be deemed to have been performed in the State of New York and the courts of the State of New York will have jurisdiction to entertain any action arising under this Agreement. The parties hereby attorn to the jurisdiction of the courts of the State of New York.

15. Notice. Any notice required under this Agreement to be given by either party to the other party shall be in writing in the English language. Any required notice shall be served by sending the same (a) via personal delivery thereof to, and actual receipt by, the other party; (b) upon facsimile or electronic mail transmission to the

other party, at its facsimile number or Email address as set forth below, provided such delivery is acknowledged by the recipient confirming such receipt with respect to electronic mail transmission and provided the facsimile copy sent by the sender provides an automatic notation confirming the delivery thereof; (c) on the next business day following delivery by the sender to a recognized international courier service; or (d) three (3) business days following deposit in the United States mail to the address of the other party stated in this Agreement. All notices delivered pursuant to this Agreement shall be addressed to the parties as follows (or to such other address and to the attention of such persons as the parties may designate by like notice hereunder):

If to Company: _____

Attn: _____
Fax: _____
Email: _____

If to Hyatt: Hyatt Corporation
150 North Riverside Plaza
Chicago, IL 60606
Attn: _____
Fax:
Email:

with a copy to: Hyatt Corporation
150 North Riverside Plaza
Chicago, IL 60606
Attn: General Counsel
Fax: 312-780-5284
Email: office.of.general.counsel@hyatt.com

16. Interpretation. Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law, but, if any provision of this Agreement shall be invalid or prohibited thereunder, such invalidity or prohibition shall be construed as if such invalid or prohibited provision had not been inserted herein and shall not affect the remainder of such provision or the remaining provisions of this Agreement.

17. Miscellaneous. The terms set out in this Agreement may be modified only in writing signed by both parties. No waiver is effective unless in writing and signed by the waiving party. No waiver is deemed a waiver of any future performance. This Agreement contains the entire understanding between the parties with respect to the Confidential Information and shall be binding upon each of the parties, and their respective employees, affiliates, third-party agents, successors, and assigns.

[Signatures on the following page]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

HYATT FRANCHISING, L.L.C.,
a Delaware limited liability company

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

EXHIBIT H

LIST OF CURRENT HYATT REGENCY HOTEL FRANCHISEES

**LIST OF CURRENT HYATT REGENCY HOTEL FRANCHISEES
AS OF DECEMBER 31, 2021**

Alabama

The RB Wynfrey, LLC
Hyatt Regency Birmingham
1000 Riverchase Galleria
Birmingham, Alabama 35244
205.705.1234

California

SWC CA LAX LLC
Hyatt Regency Los Angeles Airport
6225 West Century Boulevard
Los Angeles, California 90045
424.702.1234

FWREF Monterey, LLC
Hyatt Regency Monterey
One Old Gold Course Road
Monterey, California 93940
831.372.1234

Newport Hotel Holdings, LLC
Hyatt Regency John Wayne Airport - Newport Beach
4545 MacArthur Boulevard
Newport Beach, California 92660
949.833.0570

50 Third Street Owner LP
Hyatt Regency San Francisco Downtown/SoMa
50 Third Street
San Francisco, California 94103
415.974.6400

Noble –AEW Vineyard Creek LLC
Hyatt Regency Sonoma Wine Country
170 Railroad Street
Santa Rosa, California 95401
707.284.1234

SWVP Valencia LLC
Hyatt Regency Valencia
24500 Town Center Drive
Valencia, California 91355
661.799.1234

SWVP Westlake LLC
Hyatt Regency Westlake
880 South Westlake Boulevard
Westlake Village, California 91361
805.557.1234

Colorado

CPX Aurora FSH, LLC
Hyatt Regency Aurora-Denver Conference Center
13200 East 14th Place
Aurora, Colorado 80011
303.365.1234

HRDTC Hotel Owner LLC
Hyatt Regency Denver Tech Center
7800 East Tufts Avenue
Denver, Colorado 80237
303.779.1234

Florida

Sarasota Hotel Acquisition Group, LLC
Hyatt Regency Sarasota
1000 Boulevard of the Arts
Sarasota, Florida 34236
941.953.1234

Georgia

AG-P Atlanta Perimeter Owner, L.L.C.
Hyatt Regency Atlanta Perimeter
4000 Summit Boulevard
Atlanta, Georgia 30319
404.303.7700

TD Windy Hill, LLC
Hyatt Regency Suites Atlanta Northwest
2999 Windy Hill Road
Marietta, Georgia 30067
770.956.1234

Illinois

1750 Deerfield Owner, LLC
Hyatt Regency Deerfield
1750 Lake Cook Road
Deerfield, Illinois 60015
847.945.3400

VH Lisle LLC
Hyatt Regency Lisle
1400 Corporetum Drive
Lisle, Illinois 60532
630.852.1234

Woodfield Hospitality, LLC
Hyatt Regency Schaumburg
1800 East Golf Road
Schaumburg, Illinois 60173
847.605.1234

Indiana

CP Indy DT, LLC
Hyatt Regency Indianapolis
1 South Capitol Avenue
Indianapolis, Indiana 46204
317.632.1234

Iowa

The City of Coralville, Iowa
Hyatt Regency Coralville
1512 7th Street
P.O. Box 5127
Coralville, Iowa 52241
319.688.4000

Kansas

Ruffin Riverfront Hotel, LLC
Hyatt Regency Wichita
400 West Waterman Street
Wichita, Kansas 67202
316.293.1234

Kentucky

TPG Lexington, LLC
Hyatt Regency Lexington
401 West High Street
Lexington, Kentucky 40507
859.253.1234

Pios Grande Louisville HR LLC

Hyatt Regency Louisville
311 South 4th Street
Louisville, Kentucky 40202
502.581.1234

Maryland

TMG 11 Bethesda Hotel Operating Company, L.L.C.
Hyatt Regency Bethesda
1 Bethesda Metro Center
Bethesda, Maryland 20814
301.657.1234

Massachusetts

HRB MA Holdings, LLC
Hyatt Regency Cambridge
575 Memorial Drive
Cambridge, MA 02139
617.492.1234

Minnesota

Hotel Bloomington 3200 E 81st, LLC
Hyatt Regency Bloomington
3200 East 81st Street
Bloomington, Minnesota 55425
952.922.1234

Nevada

IC 3700 Flamingo Road LLC
Hyatt Regency Las Vegas
3700 West Flamingo Road
Las Vegas, Nevada 89103
Not open as of December 31, 2021

New Jersey

AVR Princeton Hotel Tenant LLC
Hyatt Regency Princeton
102 Carnegie Center
Princeton, New Jersey 08540
609.987.1234

New Mexico

Albuquerque Hotel Investments Capital, LLC
Hyatt Regency Albuquerque
330 Tijeras Northwest
Albuquerque, New Mexico 87102
505.842.1234

New York

Jemal's Genesee LLC
Hyatt Regency Buffalo
2 Fountain Plaza
Buffalo, New York 14202
716.856.1234

HHC TRS FP Portfolio LLC
Hyatt Regency Long Island
1717 Motor Parkway
Hauppauge, New York 11788
631.784.1234

Genting New York LLC
Hyatt Regency JFK Airport at Resorts World New York
110-00 Rockaway Boulevard
Jamaica, New York 11420
833.671.1234

125 EMS Hotel LLC
Hyatt Regency Rochester
125 East Main Street
Rochester, New York 14604
585.546.1234

Ohio

Cincinnati Fifth Street Hotel, LLC
Hyatt Regency Cincinnati
151 West 5th Street
Cincinnati, Ohio 45202
513.579.1234

Oklahoma

Tulsa Hotel Partners, LLC
Hyatt Regency Tulsa
100 East Second Street
Tulsa, Oklahoma 74103
918.582.9000

Pennsylvania

MCSW Penn Hospitality LLC
Hyatt Regency Pittsburgh International Airport
1111 Airport Boulevard PO Box 12420
Pittsburgh, Pennsylvania 15231
724.899.1234

South Carolina

Greenville City Center, LLC
Hyatt Regency Greenville
220 North Main Street
Greenville, South Carolina 29601
864.235.1234

Texas

CRP/SH Galleria Plaza Hotel Owner, L.P.
Hyatt Regency Houston Galleria
2626 Sage Road
Houston, Texas 77056
832.803.1234

Imperial Hotels, LLC
Hyatt Regency Houston Intercontinental Airport
425 North Sam Houston Parkway East
Houston, Texas 77060
281.249.1234

LR HOU LLC
Hyatt Regency Houston West
13210 Katy Freeway
Houston, Texas 77079
281.558.8338

Virginia

WS Dulles Airport, LLC
Hyatt Regency Dulles
2300 Dulles Corner Boulevard
Herndon, Virginia 20171
703.713.1234

Wisconsin

CL1 Milwaukee, LLC
Hyatt Regency Milwaukee
333 West Kilbourn Avenue
Milwaukee, Wisconsin 53203
414.276.1234

EXHIBIT I

**LIST OF HYATT REGENCY HOTEL
FRANCHISEES WHO LEFT THE SYSTEM**

**LIST OF HYATT REGENCY HOTEL
FRANCHISEES WHO LEFT THE SYSTEM AS OF DECEMBER 31, 2021**

Transfers

California

Humnit Hotel at LAX, LLC
Hyatt Regency Los Angeles Airport
275 Seventh Avenue, 14th Floor
New York, New York 10001
212.895.4445

Colorado

CP Denver, LLC
Hyatt Regency Denver Tech Center
740 Centre View Boulevard
Crestview Hills, Kentucky 41017
859-578-1100

Minnesota

Bloomington Central Station Hotel, LLC
Hyatt Regency Bloomington
2737 Fairview Avenue North
Roseville, Minnesota 55133
651.633.5050

New York

Raymond W. Walter, court appointed Receiver
Hyatt Regency Buffalo
1100 Rand Building
14 Lafayette Square
Buffalo, New York 14203
716.710.6572

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

Terminations

Texas

Pinnacle North Dallas, LLC
Hyatt Regency North Dallas
8369 Vickers Street, Suite 101
San Diego, California 92111
858.974.8201

Virginia

H.I.G. Realty Credit – Fairfax, LLC
Hyatt Regency Fairfax
1271 Avenue of the Americas, 22nd Floor
New York, New York 10020
212.351.5700

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

EXHIBIT J
COMFORT LETTER

J



150 North Riverside Plaza
Chicago, IL 60606

Tel: 312.750.1234

_____, 2022

Re: Franchise Agreement dated as of _____, 2022 (the “**Franchise Agreement**”), by and between Hyatt Franchising, L.L.C., a Delaware limited liability company, (“**Hyatt**”) and _____, a(n) _____ (“**Franchisee**”).

Dear Sir or Madam:

Reference is made to the Franchise Agreement pursuant to which Franchisee operates or will operate the Hyatt Regency Hotel located at _____ (the “**Hotel**”). The arrangement represented by the Franchise Agreement is called the “Franchise.” Franchisee has represented that (1) Franchisee and _____ (“**Lender**”) have entered into, or are about to enter into, a loan agreement pursuant to which the Hotel will secure certain indebtedness owed by Franchisee to Lender, which indebtedness will be evidenced by a promissory note made by Franchisee in favor of Lender (together with the other loan documents evidencing or securing such indebtedness, as amended, restated or otherwise modified from time to time, the “**Loan Documents**”) and (2) that the loan proceeds will be used for the direct benefit of the Hotel. Franchisee and Lender have requested that Hyatt enter into this letter agreement (this “**Comfort Letter**”). Franchisee or Lender shall pay to Hyatt a fee in the amount of Two Thousand Five Hundred Dollars (\$2,500) in connection with this Comfort Letter, prior to or simultaneous with its execution. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Franchise Agreement.

Hyatt, Franchisee, and Lender agree as follows:

1. While Lender has a valid first mortgage on the Hotel during the term of the Franchise Agreement, Hyatt agrees to use commercially reasonable efforts to (a) give Lender thirty (30) days prior written notice of any voluntary surrender by Franchisee of the Franchise (to the extent that Hyatt is aware in advance of any such voluntary surrender) and (b) furnish Lender with copies of default notices sent by Hyatt to Franchisee. In the event of a default by Franchisee under the Franchise Agreement Hyatt shall allow Lender thirty (30) days from the date of any such notice to cure or cause to be cured the default(s) specified in such notice. If such default is of a non-monetary nature and cannot be cured within said thirty (30) day period

by reason of the time necessary for Lender to exercise its rights and remedies pursuant to the Loan Documents or applicable law, then Lender shall have such additional period of time, as is reasonably necessary to complete the exercise of its rights and remedies, provided that Lender proceeds with and continues to cure such non-monetary default and exercise of remedies with due diligence, but in no event shall such period exceed one hundred and eighty (180) days following notice to Lender. Notwithstanding any of the foregoing: (a) in the event of a health or life safety default, the cure period shall be three (3) days; and (b) Lender does not have the ability to cure the following defaults by Franchisee: bankruptcy, assignment for the benefit of creditors, appointment of a receiver or trustee, breach of restrictions on Control Transfers, or breach of Trade Restriction Laws, but foreclosure of Lender's mortgage by Lender shall constitute curing of such defaults solely for the purpose of this Comfort Letter and commencement of foreclosure proceedings shall constitute commencement of cure solely for the purpose of this Comfort Letter. For the avoidance of doubt, Lender is not required to cure any default by Franchisee under the Franchise Agreement except as set forth below in connection with an Acquisition.

2. If Lender should acquire the Hotel through foreclosure, conveyance in lieu of foreclosure, or any similar transaction (an "**Acquisition**") while the Franchise Agreement is in full force and effect, Hyatt and Lender shall, within thirty (30) days following such Acquisition, either (a) sign an assignment and assumption agreement in a form that Hyatt reasonably specifies under which Lender shall take an assignment of and assume all of Franchisee's rights and obligations under the Franchise Agreement, or (b) enter into a new Franchise Agreement with Hyatt to operate the Hotel for a term equal to Franchisee's remaining term of the Franchise Agreement in accordance with Hyatt's then prevailing standards, rates, requirements, and terms. Hyatt provided however that in either event (i) Lender shall not be charged any Application Fee (as same is described in Hyatt's then current Franchise Disclosure Document for prospective franchisees); (ii) Lender shall not be required to perform a renovation or upgrading of the Hotel (although Lender will be required to cure any quality deficiencies as shown on the most current quality inspection report and shall be subject to ongoing renovation or upgrading requirements that may be required by Hyatt in accordance with the Franchise Agreement, including but not limited to standard cycle renovations); (iii) Lender shall have no personal responsibility for the payment of liquidated damages or termination fees which Franchisee may be obligated to pay under the terms of the Franchise Agreement as a result of the Acquisition; (iv) Lender shall agree to cure any existing defaults under the Franchise Agreement by Franchisee within the times specified by Hyatt and bring current all payments due and owing to Hyatt and its affiliated companies, except for any amounts specifically excluded under this Section 2; **[and (v) Lender shall assume the obligation to repay Hyatt any unamortized "key money" as described in the Franchise Agreement, although any such amounts shall (if applicable) continue to amortize in the manner set forth in the Franchise Agreement]**. Hyatt acknowledges and agrees that an Acquisition by Lender shall not be subject to any right of first refusal or right of first offer contained in the Franchise Agreement.

Notwithstanding the foregoing, Hyatt is not obligated to enter into a Franchise Agreement with Lender pursuant to this Section 2 if Lender fails to comply with the requirements of Section 3 below within the times provided therein or if Lender is a Brand Owner or Hyatt is prohibited from transacting with Lender under any Trade Restriction Law. If Lender should acquire the Hotel, Lender shall appoint an agent or management company to operate the Hotel and such agent or management company must (i) be approved in writing by Hyatt; (ii) meet Hyatt's then current requirements for such agents or management companies, including by signing such agreements and other documents as Hyatt periodically specifies; and (iii) cause the Hotel's general manager and other personnel (if different from the Hotel personnel in place prior to the Acquisition) to complete Hyatt's then current training requirements in accordance with the Franchise Agreement.

3. Lender agrees:

(i) to provide Hyatt with written notice twenty (20) days in advance of:

- (a) the commencement of any proceedings by Lender regarding an Acquisition of the Hotel; (b) the petition by Lender for appointment of a receiver, or to obtain the entry of an order for relief or take any action under federal or state bankruptcy laws or similar laws with regard to the Hotel; (c) the acceptance by Lender of a conveyance of the Hotel in lieu of foreclosure; or (d) Lender taking ownership or possession of the Hotel in any manner; and

(ii) to notify Hyatt in writing of the commencement by another party of foreclosure proceedings or the filing of an action for the appointment of a receiver or petition for relief under state or federal bankruptcy laws, within thirty (30) days after Lender receives notice of commencement of such proceedings.

4. Except as set forth in paragraphs 5 and 6 below, this Comfort Letter and the rights hereunder are not assignable by Lender or Franchisee, and neither Lender nor Franchisee has any right or authority to sell, transfer, or assign, or in any manner convey to any third party the Franchise Agreement or any rights under this Comfort Letter, except as provided in the Franchise Agreement. If a third party should become the owner of the Hotel, that third party may apply to Hyatt for a new Franchise to operate the Hotel, and such application shall be considered in accordance with the same standards by Hyatt with respect to other franchise applications unless otherwise required by law.

5. Lender may assign the Comfort Letter to any subsequent holder or holders of all or any portion of the Loan Documents (the "Assignee") without Hyatt's consent; provided that the Assignee (i) is a commercial bank, investment bank, pension fund, finance company, insurance company, trustee in a securitization or other financial company, or other financial institution or such other type of established organization (so long as such established organization is not a Brand Owner or does not exclusively lend to a Brand Owner) primarily

engaged in the business of making or holding loans and any fund or trust managed or serviced by any of the foregoing and (ii) does not own, directly or indirectly, any equity interest in Franchisee or its constituent owners; provided further that upon the sale or transfer of the Loan Documents, Lender pays to Hyatt a processing charge of \$7,500 and that promptly upon the sale or transfer of the Loan Documents to the Assignee, Lender, Assignee, and Franchisee shall execute and deliver to Hyatt an assignment and assumption agreement (the “**Assignment**”), and provided further that, in the event there is more than one Assignee, such Assignees shall have (i) designated one representative to receive notices, negotiate on behalf of and bind each such Assignee in connection with this Comfort Letter and any Assignment thereof, and (ii) acknowledged that Hyatt shall be entitled to rely on such designation and deal solely with such representative without the necessity of notifying, negotiating with, or obtaining the consent of, each such Assignee.

6. The rights and obligations which accrue to Lender under this Comfort Letter upon the taking of title to the Hotel’s premises by foreclosure or deed in lieu thereof shall also accrue to any wholly-owned subsidiary or commonly controlled affiliate of Lender that takes title to the premises by foreclosure or deed in lieu thereof, and Lender guarantees all obligations to Hyatt of such subsidiary. For avoidance of doubt, Lender’s obligations under this Comfort Letter shall also apply to and bind any designee of Lender who acquires the Hotel or its premises through an Acquisition.

7. All notices required under this Comfort Letter shall be in writing, sent by certified mail, return receipt requested, or by Federal Express or other express service and addressed, if to Lender, to _____, if to Hyatt, to Hyatt Franchising, L.L.C., 150 North Riverside Plaza, Chicago, Illinois 60606, with a copy via e-mail to office.of.general.counsel@hyatt.com, and if to Franchisee, _____. Any notice sent pursuant to this Comfort Letter shall be deemed to be given three (3) days after mailing or on the day of delivery by hand.

8. By its signature below, Franchisee acknowledges that this Comfort Letter was provided to Lender at Franchisee’s request and in consideration thereof, Franchisee hereby (i) releases Lender and Hyatt, as well as each of their respective subsidiaries, parents, divisions, successors, assigns, heirs and representatives, including but not limited to their respective employees, agents, officers, directors and owners, of and from any and all actions, causes of action, suits, claims, demands, contingencies, debts, accounts and judgments whatsoever, at law or in equity, whether known or unknown, arising from the exercise by Lender or Hyatt (as applicable) of any of the rights granted hereunder and the recognition and compliance with such exercise by Hyatt or Lender (as applicable) and (ii) agrees that Hyatt may discuss with Lender or its designee the status of the Hotel, the Franchise Agreement, or any matter to which Lender or Hyatt is entitled to notice under the terms of this Comfort Letter or the Franchise Agreement.

9. The provisions of this Comfort Letter are not intended to, and do not in any way, alter, modify or amend the Franchise as between Hyatt and Franchisee.

10. It is further acknowledged and agreed that Hyatt shall be entitled to rely upon any written notice or request by Lender made pursuant to the provisions hereof without requirement of necessitating the accuracy or authenticity of such written notice or any facts or allegations contained therein. Lender shall notify Hyatt promptly upon the satisfaction or cancellation of Lender's mortgage on the Hotel.

11. Lender's rights under this Comfort Letter shall terminate if Lender has been taken over in any manner by any state or federal agency or is in a receivership, conservatorship, reorganization, or liquidation, or Lender or any of its officers or directors have entered into or are subject to a cease and desist order or any other formal or informal written agreement with a federal or state regulatory agency.

12. This Comfort Letter may be executed in multiple counterparts and by .pdf or facsimile transmission, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument. An executed copy will be returned to both Lender and Franchisee.

[Signature pages follow]

HYATT FRANCHISING, L.L.C.
a Delaware limited liability company

By: _____
Name: _____
Title: _____

FRANCHISEE

By: _____
Name: _____
Title: _____

LENDER

By: _____
Name: _____
Title: _____

EXHIBIT K
HOSTING SERVICES AGREEMENT

HOSTING SERVICES AGREEMENT

This Hosting Services Agreement (“**Agreement**”) is made this _____ day of _____, 2022 (the “**Effective Date**”), by and between _____ (Name of Franchisee), a(n) _____ (“**Owner**”) and Hyatt Franchising, L.L.C., a Delaware limited liability company (“**Hyatt**”). Hyatt and Owner may be referred to herein individually as a “**Party**” or together as the “**Parties**.”

WHEREAS, Owner owns or will own the [BRAND] Hotel, which is or will be located at _____, _____, _____ (the “**Property**”), and the Property is operated pursuant to a franchise agreement between Owner and Hyatt (as it may be amended, “**Franchise Agreement**”);

WHEREAS, Owner has entered into an agreement with Oracle America, Inc. (“**Oracle**”) for the licensing of a property management system (the “**License Agreement**”); and

WHEREAS, in conjunction with the Franchise Agreement, Hyatt shall provide hosting and related services in support of the Property Management System to the extent set forth herein.

NOW, THEREFORE, in consideration of the representations and promises of the parties set forth below, and other good and valuable consideration the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Scope of Services.

a. Services. This Agreement including Schedule 1 describes the Services that Hyatt shall provide to Owner hereunder, which shall include hosting and making available the Property Management System for use by Owner and its Authorized Users, and providing and maintaining the Hosted Hardware. The Services shall also include providing upgrades and updates to: (A) the Third Party Software (to the extent provided by an applicable third party vendor and authorized for use by Hyatt); and (B) the Hosted Hardware (to the extent provided by an applicable third party vendor and authorized for use by Hyatt). Installation and configuration services will be subject to a separate agreement.

b. Restrictions. Owner may not: (i) knowingly propagate, or allow propagation of, any virus, worms, Trojan horses or other programming routine intended to damage any system or data; or (ii) knowingly store or allow for storage of defamatory, trade libelous, or otherwise unlawful data. In addition, Owner must comply with all other restrictions listed in the License Agreement.

c. Suspension. Hyatt, without prejudice to its other rights at law or in equity, may suspend the Services: (i) upon a violation of any restriction or obligation listed in Section 1(b); (ii) if any misuse of the Services or misconduct with respect to the Services on the part of Owner or its employees, agents or end users creates, in Hyatt’s sole and reasonable judgment, an imminent risk of material damage to Hyatt’s network, facilities or other property or violation of any applicable laws or legal obligations; (iii) if Owner disrupts or causes harm to Hyatt’s computers, systems, infrastructure, or provision of the Services to other parties; or (iv) upon request of a government authority. Any such suspension shall be as limited in scope and duration as possible consistent with Hyatt’s needs to protect its network, facilities and property. Except in the case of suspension upon request of government authority, Owner shall continue to pay all Fees during the suspension period. Service shall be promptly restored as soon as Hyatt determines, in its sole, reasonable discretion, that the default has been cured. In addition, and without limiting Hyatt’s other rights and remedies, if Owner fails to make any payment when due and such failure continues for forty-five (45) days or more, Hyatt may suspend Owner’s access to the Services until such amounts are paid in full.

2. Definitions

a. “**Affiliate**” means with respect to any party, any person or entity that, at any given time, directly or indirectly, controls, is controlled by, or is under common control with, such party, whether through ownership of voting securities, by contract, or otherwise.

- b. **“Agreement”** means this Agreement, including all current or future schedules.
- c. **“Authorized Users”** means: (i) Owner; and (ii) employees and agents of Owner when they are performing services for Property relating to the Property Management System.
- d. **“Cardholder Data”** means any data that relates to (i) a payment card authorized by or bearing the logo of a member of the Payment Card Industry ("PCI") Security Standards Council (the "PCI SSC"), or any similar organization that Hyatt periodically specifies, or alternative technology or non-cash transaction method relating to payment that Hyatt periodically specifies, or (ii) a person to whom such a payment card or alternative technology as described in (i) has been issued.
- e. **“Effective Date”** means the date that appears in the first paragraph of this Agreement.
- f. **“Facility”** means the physical location at which, at any given time, the Hosted Hardware resides and the hosted components of the Property Management System are hosted, or such distributed “cloud” environment as may be utilized by Hyatt or its Affiliate to host the Property Management System.
- g. **“Fees”** means the fees specified in Schedule 3 hereto.
- h. **“Flag Change”** shall have the meaning assigned to it in Section 10(c).
- i. **“Hosted Hardware”** means the file servers, network routers and switches, firewalls, and other hardware, technology, and network devices in the Facility and used by Hyatt to host the hosted components of the Property Management System and provide the Services. It does not include any hardware located outside of the Facility, including any hardware located at the Property.
- j. **“Hosted System”** means the Hosted Hardware, Property Management System and Third Party Software, collectively, hosted by Hyatt or its Affiliate and made available by Hyatt to Owner and its Authorized Users pursuant to this Agreement.
- k. **“Hotel Environment”** means the hardware and software environment for which the Owner has selected and is responsible for as set out in Hyatt’s then current Configuration Guide Technical Requirements and Operating Standards: General Requirements, which is available upon request and posted on Hyatt’s intranet site, Hyattconnect.
- l. **“License Agreement”** shall have the meaning assigned to it in the recitals.
- m. **“Order”** means an order executed by Hyatt and Owner during the term of this Agreement, setting forth the billing and payment terms for the Fees.
- n. **“PCI DSS”** means the current Payment Card Industry Data Security Standards.
- o. **“Property Management System”** means the software specified in the License Agreement.
- p. **“Services”** means all tasks and services to be performed by Hyatt hereunder and described in Schedule 1.
- q. **“Term”** has the meaning assigned to it in Section 5 hereof.
- r. **“Third Party Software”** means any software that is proprietary to a third party and that is installed and maintained on the Hosted Hardware or otherwise used in connection with the provision of the Services but does not include the Property Management System.

3. Data Ownership.

Hyatt and Owner acknowledge and agree that ownership and access rights for the data input into the Property Management System shall be as set forth in the Franchise Agreement.

4. Services

a. General. Schedule 1 specifies the Hosted System to be provided by Hyatt in connection with the performance of the Services hereunder. The Hosted System shall be installed at the Facility. As of and from the Effective Date and continuing throughout the Term, Hyatt will be responsible for daily management, monitoring, operation and maintenance of the Hosted System within the Facility, for the benefit of Owner and its Authorized Users, in accordance with the terms and conditions of this Agreement (with the exception of maintenance for the Property Management System which maintenance is governed by the License Agreement). Should such maintenance require a temporary disruption of any Services, Hyatt shall use commercially reasonable efforts to provide Owner two (2) weeks advance notice of such scheduled maintenance. The current maintenance schedule is set forth in Schedule 2. Hyatt shall update such schedule as applicable. Should any disruption be required outside of the agreed maintenance window (for example, for a critical incident), Hyatt shall provide Owner with prompt notice of such emergency maintenance. Hyatt will make every commercially reasonable effort to make any such disruptions as brief as possible and to schedule any such disruptions during the scheduled maintenance window.

b. Hotel Environment. Owner acknowledges and agrees that the performance of the Services may be dependent upon Owner providing, at its sole cost and expense, all of the elements of the Hotel Environment. Owner waives any claims including but not limited to warranty claims against Hyatt, to the extent arising from Owner's failure to provide a hardware and software environment that complies with the Hotel Environment requirements.

c. Restrictions. Owner may only use the Hosted System and Services for Owner's business at the Property. Owner will not make any representations or warranties on behalf of Hyatt that are inconsistent with the terms of this Agreement. Owner's failure to use the Property Management System, Third Party Software, Hosted Hardware, Hosted System, or Services shall not relieve Owner of any of its obligations hereunder, including without limitation payment obligations. Owner may not loan, rent, lease, resell, transfer, convey, assign or license the Services to any other party or sell information services to other parties through the use of the Property Management System, Hosted Systems or Service, whether in the form of a service bureau, reservation center, or other information processing entity.

d. Personnel. Services may be rendered by an employee or subcontractor of Hyatt or its Affiliate who (a) is not solely dedicated to the Property, and may perform similar services for other hotels; (b) may perform Services at the Property or off-site; and (c) will conform to the reasonable rules and regulations of the Property when on Property premises.

5. Term.

This Agreement is effective upon the Effective Date, and shall expire twelve (12) months from the Effective Date (the "**Initial Term**"), unless sooner terminated in accordance with the terms hereof. Thereafter, this Agreement shall automatically renew for successive 12-month renewal periods (each, a "**Renewal Term**" and, together with the Initial Term, the "**Term**") unless written notice of termination is provided by either Party to the other Party at least ninety (90) days prior to the expiration of the Initial Term or the then-applicable Renewal Term.

6. Payments and Terms.

a. Payment. In consideration of the Services to be provided by Hyatt to Owner under this Agreement, Owner shall pay Hyatt the Fees in accordance with the applicable Order. Unless otherwise expressly set forth in the applicable Order, all Fees will be invoiced and payable in U.S. Dollars. If Owner fails to make any payment when due then, in addition to all other remedies that may be available, Hyatt may charge interest on the past due amount at the rate of 1.5% per month calculated daily and compounded monthly or, if lower, the highest rate permitted under applicable law.

b. Fee Guidance. The fee for the Services is intended to cover the costs for Hyatt to provide the Services. The fee for such Services will be calculated in the same manner as the fee charged to hotels managed by a Hyatt Affiliate that are receiving similar services.

7. Warranties.

a. Hyatt represents and warrants to Owner as follows:

i. that it has the full right, power and authority to enter into this Agreement and that Hyatt's entering into this Agreement shall not result in a breach of or constitute a default under any agreement or instrument to which it is a party;

ii. Hyatt shall comply with all applicable laws, enactments, orders and regulations in connection with the performance of its obligations hereunder;

iii. all performance under this Agreement by Hyatt shall be in a professional, and workmanlike manner by appropriately qualified and experienced personnel, in accordance with industry standard practices and the provisions and requirements of this Agreement;

iv. Hyatt shall maintain compliance with the PCI DSS for the Hosted System, including the security of Cardholder Data that Hyatt stores, processes or transmits on behalf of the Owner; and

v. Hyatt shall implement a disaster recovery program and use commercially reasonable efforts to maintain such program.

b. Owner represents and warrants to Hyatt as follows:

i. it has the full right, power, and authority to enter into this Agreement and that Owner's entering into this Agreement shall not result in a breach of or constitute a default under any agreement or instrument to which it is a party;

ii. Owner shall comply with all applicable laws, enactments, orders and regulations in connection with the performance of its obligations hereunder; and

iii. Owner shall comply with standards and measures required under the PCI DSS regarding the collection, storage, use, processing and transfer of Cardholder Data and maintain the confidentiality and security of that Cardholder Data.

c. THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THOSE CONCERNING MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ACCURACY OR USE. WITHOUT PREJUDICE TO THE FOREGOING WARRANTIES OR ANY OF HYATT'S EXPRESS OBLIGATIONS UNDER THIS AGREEMENT, HYATT DOES NOT WARRANT OR GUARANTEE THAT THE HOSTED HARDWARE, PROPERTY MANAGEMENT SYSTEM, OR ANY OF THE SERVICES PROVIDED HEREUNDER WILL SATISFY OWNER'S REQUIREMENTS, OR THAT THE OPERATION OF SUCH WILL BE COMPLETELY UNINTERRUPTED OR COMPLETELY ERROR FREE.

8. Indemnity.

Hyatt and Owner's indemnification obligations in the Franchise Agreement are incorporated by reference into this Agreement.

9. Limitation of Damages and Disclaimers.

a. Indirect Damages. EXCEPT AS SET FORTH IN THE FRANCHISE AGREEMENT, NO PARTY WILL BE RESPONSIBLE TO THE OTHER PARTY OR ITS AFFILIATES FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT OR SPECIAL DAMAGES, INCLUDING LOST PROFITS, BUSINESS INTERRUPTION, OR PUNITIVE DAMAGES WHETHER ARISING FROM OWNER'S USE (OR INABILITY TO USE) OF THE HOSTED HARDWARE, PROPERTY MANAGEMENT SYSTEM, SUPPORT OR SERVICES PROVIDED HEREUNDER, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

b. Damages Cap. EXCEPT AS SET FORTH IN THE FRANCHISE AGREEMENT, IN NO EVENT SHALL ANY PARTY BE LIABLE IN RESPECT OF ANY EVENT OR SERIES OF CONNECTED EVENTS FOR ANY DAMAGES UNDER THIS AGREEMENT OR IN CONNECTION WITH THE RELATIONSHIP OF THE PARTIES HEREUNDER IN EXCESS OF AN AMOUNT EQUAL TO THE SUM OF ALL FEES AND CHARGES DUE HEREUNDER, WHETHER OR NOT PAID BY OWNER FOR THE 12 MONTHS PERIOD PRIOR TO THE RELEVANT EVENT OR SERIES OF EVENTS. WITHOUT LIMITING HYATT'S EXPRESS OBLIGATIONS HEREUNDER, HYATT SHALL NOT BE RESPONSIBLE FOR AND DISCLAIMS ANY LIABILITY ASSOCIATED WITH A THIRD PARTY'S FAILURE TO PROCESS CREDIT CARD TRANSACTIONS ON BEHALF OF OWNER.

c. Hotel Security. It is Owner's responsibility to have and maintain in place virus protection software and reasonable security for its on-site systems and on-site data, which such security include firewalls, passwords, physical security, access control policies, and the like. Owner acknowledges that the security of Property's facilities and protection of its own network and the data and applications on that network, including protections against unauthorized access, is solely and entirely Owner's responsibility. Owner acknowledges that, to be effective, virus protection software, system passwords, and other security software require periodic updates, which Owner must obtain from its supplier or the manufacturer, as appropriate. Support or services hereunder necessitated by viruses introduced by Owner or its Affiliate or a third party, or by any failure or breach of Owner's security for its systems or data (not including breaches of the security of the Services or Hosted Hardware), including, without limitation, damage caused by hackers or persons lacking authorized access, is not covered, and will be supplied only upon request and on a reasonable efforts basis, on a time and material basis. Owner waives any claims against Hyatt to the extent arising from Owner's failure to have or maintain current virus protection, or to the extent arising from a failure or breach of Owner's security for its own systems. Hyatt will use commercially reasonable efforts to secure the environment from unauthorized access, which shall be no less than the efforts it takes to secure its own environment.

d. Communications. Owner will be responsible for installing and bearing the cost of all communications necessary to access the Property Management System from Owner's facilities, and implementing and maintaining any necessary or desired security for the communication process. Hyatt expressly disclaims any responsibility for or liability or problems resulting from Owner's choice of a communications service provider and any matters directly relating to Owner's connectivity or transmission of data to or from the Facility.

e. Access to Data. Owner acknowledges that its ability to access its data may be adversely affected by problems with its Internet or Owner private network provider connectivity and any mutually agreed upon scheduled maintenance outages.

10. Termination.

a. Termination by Hyatt. Notwithstanding any minimum agreed term, Hyatt may, by written notice to Owner, terminate this Agreement: (i) upon any material breach by Owner which such material breach is not remedied within thirty (30) days of written notice to Owner setting out the nature of such breach and requiring its remedy; (ii) upon the termination of the License Agreement in accordance with its terms; or (iii) at any time for any reason or no reason upon thirty (30) days written notice to Owner.

b. Termination by Owner. Owner may terminate this Agreement: (i) upon any material breach by Hyatt which such material breach is not remedied within thirty (30) days of written notice to Hyatt setting out the nature of such breach and requiring its remedy; or (ii) without cause upon six (6) months' notice to Hyatt.

c. Termination for Assignment. This Agreement shall automatically terminate upon any Flag Change by Owner. For purposes of this clause, “**Flag Change**” means any termination of Hyatt’s franchise relationship with Owner or any change resulting in the Property ceasing to be under a management, franchise or similar agreement with a direct or indirect subsidiary of Hyatt Hotels Corporation.

d. Effect of Termination of Agreement. Upon termination or expiration of this Agreement:

i. Owner shall immediately cease using the Services and Hyatt shall cease providing Services to Owner under this Agreement;

ii. Upon termination, Owner shall pay all Fees for Services provided up to the expiration/termination date.

iii. The Parties agree that Sections that by their nature, or to give effect to their meaning, must survive expiration or termination of this Agreement, shall survive any expiration or termination of this Agreement.

11. Facility. Hyatt or its Affiliate may move the Facility to another location at any time, provided in the event the new location is in a different country than the prior location, Hyatt shall notify Owner in writing of the intended move as far in advance thereof as is reasonably practicable under the circumstances (but in no event less than ninety (90) days in advance). Any relocation or moving of the Facility shall be conducted with the least disruption feasible upon Owner or any Authorized Users. Hyatt shall not be responsible to Owner for any such additional or incremental costs and expenses incurred by Owner, or any of its respective third-party service-providers or other business associates.

12. No Assignment. Owner may not assign or transfer this Agreement or its rights and obligations hereunder, without the prior written consent of Hyatt. Any unpermitted assignment shall be null and void. Hyatt reserves the right at any time to transfer or assign this Agreement, or a portion thereof, without notice or consent.

13. Force Majeure. Neither Party shall be responsible for delay in performance resulting from events beyond its reasonable control and that were not avoidable through the exercise of due care, which shall include but not limited to acts of God, fire, earthquakes, war, civil unrest, accident, power fluctuations or outages, telecommunication fluctuations, outages or delays, utility failures, mechanical defects or other events beyond the control of a Party.

14. Independent Contractor. Hyatt is an independent contractor and all persons employed to furnish Services hereunder are employees or subcontractors of Hyatt and not of Owner.

15. Incorporation of Franchise Agreement Provisions. Articles XIV, XVII and XVIII of the Franchise Agreement, entitled Dispute Resolution (including, but not limited to Arbitration), Notices and General, respectively, are incorporated by this reference into this Agreement.

16. Binding. This Agreement shall inure to and bind the successors, assigns and representatives of the parties.

[signature page follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

HYATT FRANCHISING, L.L.C.

[Insert Name of Franchisee]

By: _____

By: _____

Name:

Name: _____

Title:

Title: _____

Date: _____

Date: _____

LIST OF SCHEDULES

Schedule 1	Hosted System and Services
Schedule 2	Maintenance Schedule
Schedule 3	Fees

Schedule 1

HOSTED SYSTEM AND SERVICES

HOSTED SYSTEM

OPERA Property Management System (PMS)
Applicable Property Interfaces

SERVICES

Hyatt shall be responsible for:

- (i) Installation of the Hosted Hardware at the Facility.
- (ii) Hosting and monitoring of the Property Management System.
- (iii) Hosting, monitoring, maintenance and support of the Third Party Software, and the Hosted Hardware.
- (iv) For clarity, with regard to the Hosted System: (i) scheduled maintenance; (ii) security and intrusion detection; and (iii) event reporting.

All Hosted Hardware shall be continually monitored and managed by Hyatt on a 24 x 7 x 365 basis.

As between Owner and Hyatt, all connectivity from the Owner's network to the Hosted System components in the Facility is the sole responsibility of Owner. All connectivity within the Facility is the sole responsibility of Hyatt. Owner's primary point of contact for support with respect to the Property Management System shall be Oracle, unless Owner is located in a region where Oracle does not provide support, in which case Owner's primary point of contact for such support shall be Oracle's designated support partner. If Owner is not able to obtain support from Oracle (or an Oracle designated support partner, as applicable), Owner may open a support ticket with the Hyatt Service Desk.

Schedule 2

MAINTENANCE SCHEDULE

Hyatt's maintenance schedule is subject to change. Emergency maintenance may be performed at any time. Hyatt's current maintenance schedule for scheduled and non-emergency maintenance is as follows:

Maintenance Task Calendar

The calendar below highlights the days when maintenance tasks may occur during the month.

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Color	Description
Green	Available for scheduled maintenance.
Yellow	Prior to performing any scheduled maintenance, additional discretion will be applied in order to avoid impact to business on these days.

Schedule 3

FEES

The fee for the Services is a portion of and included in the System Services Charges (as defined in the Franchise Agreement). The fee for the Services will fluctuate monthly, subject to Section 6b of this Agreement.

EXHIBIT L

FIELD MARKETING PROGRAM OPT-IN AGREEMENT

FIELD MARKETING PROGRAM OPT-IN AGREEMENT

This version is only for use with franchised locations in the U.S., Canada & the islands of the Caribbean who are opting in to tier 1 services.

THIS FIELD MARKETING PROGRAM OPT-IN AGREEMENT (“**Agreement**”) is made effective as of [INSERT DATE] (“**Effective Date**”), by and between [Insert Franchisee Contracting Entity] (“**Franchisee**”) and Hyatt Corporation located at 150 North Riverside Plaza, Chicago, Illinois 60606 (“**Hyatt**”).

WITNESSETH:

WHEREAS, Franchisee owns an existing hotel or a development property known or to be known as [Insert Hotel Name] located at [Insert Hotel Address] (the “**Hotel**”), which Hotel is or will be branded and operated pursuant to a franchise agreement between Hyatt or its affiliate and Franchisee (as it may be amended, “**Franchise Agreement**”);

WHEREAS, Franchisee has requested that Hyatt provide certain Services, as defined below, to Franchisee or Franchisee’s approved operator in connection with the operation of the Hotel, pursuant to the field marketing program offered by Hyatt to Hyatt branded and affiliated hotels (the “**Field Marketing Program**”); and

WHEREAS, Hyatt has agreed to provide such Services according to the terms and under the conditions set forth herein.

NOW, THEREFORE, the parties hereby mutually agree as follows:

1. **Term / Termination.** The services set forth in this Agreement shall be for a term commencing on the later of [INSERT DATE] or the first day of the first quarter that is at least forty five (45) days following the Effective Date (or such other date as the parties may mutually agree in writing (email shall suffice)) (“**Service Effective Date**”) and continuing until terminated in accordance with this section. This Agreement may be terminated as follows:

- a. Either party may terminate the Agreement for any reason or no reason by notifying the other party in writing at least days ninety (90) days in advance. *[Notwithstanding the foregoing, in the event of termination by Franchisee pursuant to this subsection 1a the effective date of such termination shall be no earlier than [____ months following the Service Effective Date]];*
- b. This Agreement shall automatically terminate if the Franchise Agreement expires or is terminated and Franchisee does not enter into a hotel management agreement or hotel services agreement with Hyatt or its affiliate such that the Hotel continues to operate under a Hyatt brand or Hyatt affiliation immediately following such termination; and
- c. If either party commits a material breach of any provision of this Agreement and has failed to cure such breach within ten (10) days of receiving written notice, the other party may terminate this Agreement immediately upon written notice.

Upon termination of this Agreement, Franchisee shall remit to Hyatt payment for Services rendered through the effective date of termination.

2. **Scope of Service.** Hyatt shall provide Hotel with certain Field Marketing Program services (“**Services**”), as more specifically outlined in Exhibit A attached hereto. For any subsequent year during the term of this Agreement, Hyatt may update Exhibit A for the following year by providing Hotel an updated Exhibit A (“**Updated Services Exhibit**”) by September 30th of the year before the Updated Services Agreement will take effect.

3. **Personnel.** Services may be rendered by an employee or subcontractor of Hyatt or its affiliate who (a) is not solely dedicated to the Hotel and may perform similar services for other Hyatt owners, franchisees, and approved management companies; (b) may perform Services at the Hotel or off-site; and (c) will conform to the reasonable rules and regulations of the Hotel when on Hotel premises.

4. **Fees.** In consideration of the Services, Franchisee shall or shall cause the approved operator of the Hotel to pay Hyatt the fees set forth in Exhibit A, or the then-current Updated Services Exhibit, as applicable.

5. **Feedback.** If Franchisee provides Hyatt with information, ideas, or feedback regarding the Services (“**Feedback**”), Franchisee hereby grants Hyatt a perpetual, irrevocable, royalty-free, worldwide, sublicensable and transferrable right and license to use, reproduce, disclose, distribute, modify and otherwise exploit such Feedback without restriction. Section 5 shall survive termination or expiration of this Agreement.

6. **Confidentiality.**

- a. Each party (a “**Receiving Party**”) acknowledges that it and its employees, subcontractors or agents may, in the course of satisfying its obligations hereunder, be exposed to or acquire information that is proprietary to or confidential to the other party (a “**Disclosing Party**”). Any and all confidential information of any form obtained by a Receiving Party or its employees, subcontractors or agents in the performance of the Services or the satisfaction of such party’s obligations hereunder, including but not limited to the financial terms of this Agreement, product and business plans, unpublished financial information, trade secrets, know-how and information regarding processes, shall be deemed to be the confidential and proprietary information (“**Confidential Information**”) of the Disclosing Party. The Receiving Party agrees (i) to hold all Confidential Information in strict confidence; (ii) to disclose Confidential Information only to employees of the Receiving Party who have a need to know such Confidential Information and who are advised to hold such Confidential Information in strict confidence; and (iii) not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give or disclose such Confidential Information to third parties, or to use such Confidential Information for any purposes whatsoever other than in connection with the Receiving Party’s performance under this Agreement. Notwithstanding anything in this Agreement, the Receiving Party shall not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give or disclose the Disclosing Party’s Confidential Information to a competitor of the Disclosing Party without the prior written consent of the Disclosing Party.
- b. Confidential Information shall exclude all information, which (a) is at the time of disclosure, or thereafter becomes, a part of the public domain through no act or omission of the other party, its employees or agents; (b) was in the other party’s possession as shown by written records prior to the disclosure and had not been obtained by such party

either directly or indirectly from the Disclosing Party; (c) is hereafter disclosed to the other party by a third party who did not acquire the information directly or indirectly from the Disclosing Party hereunder; or (d) was independently developed by the other party without use of the Confidential Information, as evidenced by written records.

7. **Compliance with Laws.** In performing the Services, Hyatt will, at its expense, fully comply with all applicable federal, state and/or local laws, rules, regulations and ordinances.

8. **Insurance.** Franchisee shall maintain insurance as set forth in the Franchise Agreement. To the extent the Franchise Agreement does not address Franchisee's insurance obligations, Franchisee shall procure and at all times during the term of this Agreement maintain such insurance covering the risks, in the amounts, and with the deductibles, retentions and other provisions, as reasonably designated by Hyatt from time to time for recipients of the Services, including but not limited to advertising liability and contractual liability coverage in a minimum amount of \$2,000,000.00 per occurrence or the then-current minimum coverage amount designated by Hyatt. All insurance must by endorsement specifically name Hyatt and its Affiliates (and Hyatt's and their employees and agents) as additional insureds. Franchisee must purchase each policy from an insurance company reasonably acceptable to Hyatt. Either the insurer or Franchisee must provide at least thirty (30) days' prior written notice to Hyatt of any insurance policy's cancellation, non-renewal or material change. Franchisee must deliver to Hyatt a certificate of insurance (or certified copy of such insurance policy if Hyatt requests) evidencing the required coverages and setting forth the amount of any deductibles not less than ten (10) days after their respective inception dates. If Franchisee fails for any reason to procure or maintain the insurance required by this Agreement, Hyatt shall have the right and authority (although without any obligation to do so) to procure such insurance and to charge Franchisee the cost together with a reasonable fee for Hyatt's expenses.

Section 8 shall survive termination or expiration of this Agreement.

9. **Indemnification and Limitation of Liability.**

- a. IF ANY, HYATT'S INDEMNIFICATION OBLIGATIONS IN THE FRANCHISE AGREEMENT ARE INCORPORATED BY THIS REFERENCE INTO THIS AGREEMENT.
- b. IF ANY, FRANCHISEE'S INDEMNIFICATION OBLIGATIONS IN THE FRANCHISE AGREEMENT ARE INCORPORATED BY THIS REFERENCE INTO THIS AGREEMENT.
- c. EXCEPT IN FULFILLMENT OF ANY INDEMNIFICATION OBLIGATIONS, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS OR LOSS OF USE DAMAGES) ARISING OUT OF THE SERVICES OR ANY OBLIGATIONS UNDER THIS AGREEMENT, WHETHER SUCH CLAIM IS BASED UPON BREACH OF CONTRACT, BREACH OF WARRANTY, TORT (INCLUDING NEGLIGENCE) OR ANY OTHER LEGAL THEORY, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES. EXCEPT IN FULFILLMENT OF ANY INDEMNIFICATION OBLIGATIONS, EACH PARTY'S LIABILITY UNDER THIS AGREEMENT WILL BE LIMITED TO AND WILL NOT EXCEED THE SUM WHICH EQUALS THE FEES PAID TO HYATT UNDER THIS AGREEMENT.

d. SECTION 9 SHALL SURVIVE TERMINATION OR EXPIRATION OF THIS AGREEMENT.

10. **Independent Contractor.** Hyatt is an independent contractor and all persons employed to furnish Services hereunder are employees or subcontractors of Hyatt or its affiliates and not of Franchisee.

11. **Incorporation of Franchise Agreement Provisions.** The article entitled Dispute Resolution and the sections entitled Notices, and Governing Law of the Franchise Agreement (if any and even if identified differently) are incorporated by this reference into this Agreement.

12. **Force Majeure.** Neither party shall be liable to the other for any loss or damage due to delays or failure to perform hereunder resulting from events beyond the reasonable control of such party, including without limitation acts of God, action by any governmental entity, pandemic, fire, flood, telecommunication failures or labor disputes (“Force Majeure Event”). In the event that a Force Majeure Event prevents Hyatt from delivering the Services for a period of more than thirty (30) days, either party shall have the right to terminate this Agreement upon notice to the other party.

13. **Binding/Assignment.** Except in the event of termination of this Agreement as set forth in Section 1, this Agreement shall inure to and bind the successors, assigns and representatives of the parties. Franchisee shall not assign this Agreement, except to an affiliate, without the prior written approval of Hyatt. Hyatt may assign this Agreement, including to any of its affiliates, without the prior consent of Franchisee.

14. **Entire Agreement.** This contains the entire agreement between the parties, and supersedes any prior agreement, promises and understandings between them, concerning the subject matter hereto. No representations, promises or agreements, oral or otherwise, not embodied herein, shall be of any force or effect.

15. **Execution / Amendment of Agreement.** This Agreement may be executed in separate counterparts, each of which, when fully executed, shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered via electronic transmission (including PDF) with the same force and effect as if it were executed and delivered by the Parties simultaneously in the presence of one another. This Agreement may be amended only by a written or electronic instrument signed by the parties hereto.

16. **Exhibits.** This Agreement shall prevail over any inconsistent terms in any exhibit attached hereto.

17. **Headings.** The headings in this Agreement are for convenience only and do not affect any provision hereof.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties executed this Agreement as of the Effective Date.

“FRANCHISEE”

[Insert Contracting Entity]

By _____

[Name _____]

[Title _____]

[Date _____]

“HYATT”

Hyatt Corporation

By _____

Asad Ahmed

SVP Commercial Services, Americas

Date _____

Exhibit A To Field Marketing Agreement Program Opt-In Agreement

This Exhibit A is subject to and part of the Field Marketing Program Opt-in Agreement entered into by the parties. All capitalized terms not defined herein shall have the meaning ascribed to them in that Agreement.

From the Service Effective Date until the Agreement is terminated or until this Exhibit A is replaced with an updated Exhibit A that sets forth new Services or fees, each party shall fulfill its obligations hereunder.

1. **Services.** As part of Hyatt's optional Field Marketing Program, Hyatt shall provide the following services:
 - **Paid digital management-** Hyatt will manage and optimize the agreed upon digital media budget in accordance with the Tiered level of support outlined in this section.
 - **Search Engine Optimization management-** Hyatt will provide quarterly (or more frequent) reporting and performance assessment of organic search for Property.
 - **Content support-** Hyatt will manage content, assets and merchandising updates for Property's Hyatt.com presence.
 - **Social media guidance-** Hyatt will provide consultation and best practices for Property to leverage in their property-level social media management.
 - **Agency management support-** Where applicable, Hyatt will manage the relationship directly with any Paid Digital or SEO agencies, holding the agency accountable for performance and relaying property level strategies to the agency.
 - **Field Marketing promo inclusion-** Property will have ability to participate in local and/or regional promotions developed by Hyatt. Hyatt will manage Commercial Services led offers on behalf of Property.
 - **Additional Tier Level support:**
 - Quarterly marketing strategy meetings
 - Monthly reporting/quarterly analysis
 - Monthly digital optimizations
2. **Compensation.** Subject to section 4 of the Agreement, Owner shall pay Hyatt \$800 USD per month commencing on the Service Effective Date.

FIELD MARKETING PROGRAM OPT-IN AGREEMENT

This version is only for use with franchised locations in the U.S., Canada & the islands of the Caribbean who are opting in to tier 2 services.

THIS FIELD MARKETING PROGRAM OPT-IN AGREEMENT (“**Agreement**”) is made effective as of [INSERT DATE] (“**Effective Date**”), by and between [Insert Franchisee Contracting Entity] (“**Franchisee**”) and Hyatt Corporation located at 150 North Riverside Plaza, Chicago, Illinois 60606 (“**Hyatt**”).

WITNESSETH:

WHEREAS, Franchisee owns an existing hotel or a development property known or to be known as [Insert Hotel Name] located at [Insert Hotel Address] (the “**Hotel**”), which Hotel is or will be branded and operated pursuant to a franchise agreement between Hyatt or its affiliate and Franchisee (as it may be amended, “**Franchise Agreement**”);

WHEREAS, Franchisee has requested that Hyatt provide certain Services, as defined below, to Franchisee or Franchisee’s approved operator in connection with the operation of the Hotel, pursuant to the field marketing program offered by Hyatt to Hyatt branded and affiliated hotels (the “**Field Marketing Program**”); and

WHEREAS, Hyatt has agreed to provide such Services according to the terms and under the conditions set forth herein.

NOW, THEREFORE, the parties hereby mutually agree as follows:

1. **Term / Termination.** The services set forth in this Agreement shall be for a term commencing on the later of [INSERT DATE] or the first day of the first quarter that is at least forty five (45) days following the Effective Date (or such other date as the parties may mutually agree in writing (email shall suffice)) (“**Service Effective Date**”) and continuing until terminated in accordance with this section. This Agreement may be terminated as follows:

- a. Either party may terminate the Agreement for any reason or no reason by notifying the other party in writing at least days ninety (90) days in advance. *[Notwithstanding the foregoing, in the event of termination by Franchisee pursuant to this subsection 1a the effective date of such termination shall be no earlier than [____] months following the Service Effective Date];*
- b. This Agreement shall automatically terminate if the Franchise Agreement expires or is terminated and Franchisee does not enter into a hotel management agreement or hotel services agreement with Hyatt or its affiliate such that the Hotel continues to operate under a Hyatt brand or Hyatt affiliation immediately following such termination; and
- c. If either party commits a material breach of any provision of this Agreement and has failed to cure such breach within ten (10) days of receiving written notice, the other party may terminate this Agreement immediately upon written notice.

Upon termination of this Agreement, Franchisee shall remit to Hyatt payment for Services rendered through the effective date of termination.

2. **Scope of Service.** Hyatt shall provide Hotel with certain Field Marketing Program services (“**Services**”), as more specifically outlined in Exhibit A attached hereto. For any subsequent

year during the term of this Agreement, Hyatt may update Exhibit A for the following year by providing Hotel an updated Exhibit A (“**Updated Services Exhibit**”) by September 30th of the year before the Updated Services Agreement will take effect.

3. **Personnel.** Services may be rendered by an employee or subcontractor of Hyatt or its affiliate who (a) is not solely dedicated to the Hotel and may perform similar services for other Hyatt owners, franchisees, and approved management companies; (b) may perform Services at the Hotel or off-site; and (c) will conform to the reasonable rules and regulations of the Hotel when on Hotel premises.

4. **Fees.** In consideration of the Services, Franchisee shall or shall cause the approved operator of the Hotel to pay Hyatt the fees set forth in Exhibit A, or the then-current Updated Services Exhibit, as applicable.

5. **Feedback.** If Franchisee provides Hyatt with information, ideas, or feedback regarding the Services (“**Feedback**”), Franchisee hereby grants Hyatt a perpetual, irrevocable, royalty-free, worldwide, sublicensable and transferrable right and license to use, reproduce, disclose, distribute, modify and otherwise exploit such Feedback without restriction. Section 5 shall survive termination or expiration of this Agreement.

6. **Confidentiality.**

- a. Each party (a “**Receiving Party**”) acknowledges that it and its employees, subcontractors or agents may, in the course of satisfying its obligations hereunder, be exposed to or acquire information that is proprietary to or confidential to the other party (a “**Disclosing Party**”). Any and all confidential information of any form obtained by a Receiving Party or its employees, subcontractors or agents in the performance of the Services or the satisfaction of such party’s obligations hereunder, including but not limited to the financial terms of this Agreement, product and business plans, unpublished financial information, trade secrets, know-how and information regarding processes, shall be deemed to be the confidential and proprietary information (“**Confidential Information**”) of the Disclosing Party. The Receiving Party agrees (i) to hold all Confidential Information in strict confidence; (ii) to disclose Confidential Information only to employees of the Receiving Party who have a need to know such Confidential Information and who are advised to hold such Confidential Information in strict confidence; and (iii) not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give or disclose such Confidential Information to third parties, or to use such Confidential Information for any purposes whatsoever other than in connection with the Receiving Party’s performance under this Agreement. Notwithstanding anything in this Agreement, the Receiving Party shall not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give or disclose the Disclosing Party's Confidential Information to a competitor of the Disclosing Party without the prior written consent of the Disclosing Party.
- b. Confidential Information shall exclude all information, which (a) is at the time of disclosure, or thereafter becomes, a part of the public domain through no act or omission of the other party, its employees or agents; (b) was in the other party's possession as shown by written records prior to the disclosure and had not been obtained by such party either directly or indirectly from the Disclosing Party; (c) is hereafter disclosed to the other party by a third party who did not acquire the information directly or indirectly from the Disclosing Party hereunder; or (d) was independently developed by the other party without use of the Confidential Information, as evidenced by written records.

7. **Compliance with Laws.** In performing the Services, Hyatt will, at its expense, fully comply with all applicable federal, state and/or local laws, rules, regulations and ordinances.

8. **Insurance.** Franchisee shall maintain insurance as set forth in the Franchise Agreement. To the extent the Franchise Agreement does not address Franchisee's insurance obligations, Franchisee shall procure and at all times during the term of this Agreement maintain such insurance covering the risks, in the amounts, and with the deductibles, retentions and other provisions, as reasonably designated by Hyatt from time to time for recipients of the Services, including but not limited to advertising liability and contractual liability coverage in a minimum amount of \$2,000,000.00 per occurrence or the then-current minimum coverage amount designated by Hyatt. All insurance must be endorsed specifically name Hyatt and its Affiliates (and Hyatt's and their employees and agents) as additional insureds. Franchisee must purchase each policy from an insurance company reasonably acceptable to Hyatt. Either the insurer or Franchisee must provide at least thirty (30) days' prior written notice to Hyatt of any insurance policy's cancellation, non-renewal or material change. Franchisee must deliver to Hyatt a certificate of insurance (or certified copy of such insurance policy if Hyatt requests) evidencing the required coverages and setting forth the amount of any deductibles not less than ten (10) days after their respective inception dates. If Franchisee fails for any reason to procure or maintain the insurance required by this Agreement, Hyatt shall have the right and authority (although without any obligation to do so) to procure such insurance and to charge Franchisee the cost together with a reasonable fee for Hyatt's expenses.

Section 8 shall survive termination or expiration of this Agreement.

9. **Indemnification and Limitation of Liability.**

- a. IF ANY, HYATT'S INDEMNIFICATION OBLIGATIONS IN THE FRANCHISE AGREEMENT ARE INCORPORATED BY THIS REFERENCE INTO THIS AGREEMENT.
- b. IF ANY, FRANCHISEE'S INDEMNIFICATION OBLIGATIONS IN THE FRANCHISE AGREEMENT ARE INCORPORATED BY THIS REFERENCE INTO THIS AGREEMENT.
- c. EXCEPT IN FULFILLMENT OF ANY INDEMNIFICATION OBLIGATIONS, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS OR LOSS OF USE DAMAGES) ARISING OUT OF THE SERVICES OR ANY OBLIGATIONS UNDER THIS AGREEMENT, WHETHER SUCH CLAIM IS BASED UPON BREACH OF CONTRACT, BREACH OF WARRANTY, TORT (INCLUDING NEGLIGENCE) OR ANY OTHER LEGAL THEORY, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES. EXCEPT IN FULFILLMENT OF ANY INDEMNIFICATION OBLIGATIONS, EACH PARTY'S LIABILITY UNDER THIS AGREEMENT WILL BE LIMITED TO AND WILL NOT EXCEED THE SUM WHICH EQUALS THE FEES PAID TO HYATT UNDER THIS AGREEMENT.
- d. SECTION 9 SHALL SURVIVE TERMINATION OR EXPIRATION OF THIS AGREEMENT.

10. **Independent Contractor.** Hyatt is an independent contractor and all persons employed to furnish Services hereunder are employees or subcontractors of Hyatt or its affiliates and not of Franchisee.

11. **Incorporation of Franchise Agreement Provisions.** The article entitled Dispute Resolution and the sections entitled Notices, and Governing Law of the Franchise Agreement (if any and even if identified differently) are incorporated by this reference into this Agreement.

12. **Force Majeure.** Neither party shall be liable to the other for any loss or damage due to delays or failure to perform hereunder resulting from events beyond the reasonable control of such party, including without limitation acts of God, action by any governmental entity, pandemic, fire, flood, telecommunication failures or labor disputes (“Force Majeure Event”). In the event that a Force Majeure Event prevents Hyatt from delivering the Services for a period of more than thirty (30) days, either party shall have the right to terminate this Agreement upon notice to the other party.

13. **Binding/Assignment.** Except in the event of termination of this Agreement as set forth in Section 1, this Agreement shall inure to and bind the successors, assigns and representatives of the parties. Franchisee shall not assign this Agreement, except to an affiliate, without the prior written approval of Hyatt. Hyatt may assign this Agreement, including to any of its affiliates, without the prior consent of Franchisee.

14. **Entire Agreement.** This contains the entire agreement between the parties, and supersedes any prior agreement, promises and understandings between them, concerning the subject matter hereto. No representations, promises or agreements, oral or otherwise, not embodied herein, shall be of any force or effect.

15. **Execution / Amendment of Agreement.** This Agreement may be executed in separate counterparts, each of which, when fully executed, shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered via electronic transmission (including PDF) with the same force and effect as if it were executed and delivered by the Parties simultaneously in the presence of one another. This Agreement may be amended only by a written or electronic instrument signed by the parties hereto.

16. **Exhibits.** This Agreement shall prevail over any inconsistent terms in any exhibit attached hereto.

17. **Headings.** The headings in this Agreement are for convenience only and do not affect any provision hereof.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties executed this Agreement as of the Effective Date.

“FRANCHISEE”

“HYATT”

[Insert Contracting Entity]

Hyatt Corporation

By _____

By _____

[Name _____]

Asad Ahmed

[Title _____]

SVP Commercial Services, Americas

[Date _____]

Date _____

Exhibit A To Field Marketing Agreement Program Opt-In Agreement

This Exhibit A is subject to and part of the Field Marketing Program Opt-in Agreement entered into by the parties. All capitalized terms not defined herein shall have the meaning ascribed to them in that Agreement.

From the Service Effective Date until the Agreement is terminated or until this Exhibit A is replaced with an updated Exhibit A that sets forth new Services or fees, each party shall fulfill its obligations hereunder.

1. **Services.** As part of Hyatt's optional Field Marketing Program, Hyatt shall provide the following services:
 - **Paid digital management-** Hyatt will manage and optimize the agreed upon digital media budget in accordance with the Tiered level of support outlined in this section.
 - **Search Engine Optimization management-** Hyatt will provide quarterly (or more frequent) reporting and performance assessment of organic search for Property.
 - **Content support-** Hyatt will manage content, assets and merchandising updates for Property's Hyatt.com presence.
 - **Social media guidance-** Hyatt will provide consultation and best practices for Property to leverage in their property-level social media management.
 - **Agency management support-** Where applicable, Hyatt will manage the relationship directly with any Paid Digital or SEO agencies, holding the agency accountable for performance and relaying property level strategies to the agency.
 - **Field Marketing promo inclusion-** Property will have ability to participate in local and/or regional promotions developed by Hyatt. Hyatt will manage Commercial Services led offers on behalf of Property.
 - **Additional Tier Level support:**
 - Monthly marketing strategy meetings
 - Monthly reporting/monthly analysis
 - Bi-weekly digital optimizations
2. **Compensation.** Subject to section 4 of the Agreement, Owner shall pay Hyatt \$1,500 USD per month commencing on the Service Effective Date.

FIELD MARKETING PROGRAM OPT-IN AGREEMENT

This version is only for use with franchised locations in the U.S., Canada & the islands of the Caribbean who are opting in to tier 3 services.

THIS FIELD MARKETING PROGRAM OPT-IN AGREEMENT (“**Agreement**”) is made effective as of [INSERT DATE] (“**Effective Date**”), by and between [Insert Franchisee Contracting Entity] (“**Franchisee**”) and Hyatt Corporation located at 150 North Riverside Plaza, Chicago, Illinois 60606 (“**Hyatt**”).

WITNESSETH:

WHEREAS, Franchisee owns an existing hotel or a development property known or to be known as [Insert Hotel Name] located at [Insert Hotel Address] (the “**Hotel**”), which Hotel is or will be branded and operated pursuant to a franchise agreement between Hyatt or its affiliate and Franchisee (as it may be amended, “**Franchise Agreement**”);

WHEREAS, Franchisee has requested that Hyatt provide certain Services, as defined below, to Franchisee or Franchisee’s approved operator in connection with the operation of the Hotel, pursuant to the field marketing program offered by Hyatt to Hyatt branded and affiliated hotels (the “**Field Marketing Program**”); and

WHEREAS, Hyatt has agreed to provide such Services according to the terms and under the conditions set forth herein.

NOW, THEREFORE, the parties hereby mutually agree as follows:

1. **Term / Termination.** The services set forth in this Agreement shall be for a term commencing on the later of [INSERT DATE] or the first day of the first quarter that is at least forty five (45) days following the Effective Date (or such other date as the parties may mutually agree in writing (email shall suffice)) (“**Service Effective Date**”) and continuing until terminated in accordance with this section. This Agreement may be terminated as follows:

- a. Either party may terminate the Agreement for any reason or no reason by notifying the other party in writing at least days ninety (90) days in advance. *[Notwithstanding the foregoing, in the event of termination by Franchisee pursuant to this subsection 1a the effective date of such termination shall be no earlier than [____ months following the Service Effective Date]];*
- b. This Agreement shall automatically terminate if the Franchise Agreement expires or is terminated and Franchisee does not enter into a hotel management agreement or hotel services agreement with Hyatt or its affiliate such that the Hotel continues to operate under a Hyatt brand or Hyatt affiliation immediately following such termination; and
- c. If either party commits a material breach of any provision of this Agreement and has failed to cure such breach within ten (10) days of receiving written notice, the other party may terminate this Agreement immediately upon written notice.

Upon termination of this Agreement, Franchisee shall remit to Hyatt payment for Services rendered through the effective date of termination.

2. **Scope of Service.** Hyatt shall provide Hotel with certain Field Marketing Program services (“**Services**”), as more specifically outlined in Exhibit A attached hereto. For any subsequent year during the term of this Agreement, Hyatt may update Exhibit A for the following year by providing Hotel an updated Exhibit A (“**Updated Services Exhibit**”) by September 30th of the year before the Updated Services Agreement will take effect.

3. **Personnel.** Services may be rendered by an employee or subcontractor of Hyatt or its affiliate who (a) is not solely dedicated to the Hotel and may perform similar services for other Hyatt owners, franchisees, and approved management companies; (b) may perform Services at the Hotel or off-site; and (c) will conform to the reasonable rules and regulations of the Hotel when on Hotel premises.

4. **Fees.** In consideration of the Services, Franchisee shall or shall cause the approved operator of the Hotel to pay Hyatt the fees set forth in Exhibit A, or the then-current Updated Services Exhibit, as applicable.

5. **Feedback.** If Franchisee provides Hyatt with information, ideas, or feedback regarding the Services (“**Feedback**”), Franchisee hereby grants Hyatt a perpetual, irrevocable, royalty-free, worldwide, sublicensable and transferrable right and license to use, reproduce, disclose, distribute, modify and otherwise exploit such Feedback without restriction. Section 5 shall survive termination or expiration of this Agreement.

6. **Confidentiality.**

- a. Each party (a “**Receiving Party**”) acknowledges that it and its employees, subcontractors or agents may, in the course of satisfying its obligations hereunder, be exposed to or acquire information that is proprietary to or confidential to the other party (a “**Disclosing Party**”). Any and all confidential information of any form obtained by a Receiving Party or its employees, subcontractors or agents in the performance of the Services or the satisfaction of such party’s obligations hereunder, including but not limited to the financial terms of this Agreement, product and business plans, unpublished financial information, trade secrets, know-how and information regarding processes, shall be deemed to be the confidential and proprietary information (“**Confidential Information**”) of the Disclosing Party. The Receiving Party agrees (i) to hold all Confidential Information in strict confidence; (ii) to disclose Confidential Information only to employees of the Receiving Party who have a need to know such Confidential Information and who are advised to hold such Confidential Information in strict confidence; and (iii) not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give or disclose such Confidential Information to third parties, or to use such Confidential Information for any purposes whatsoever other than in connection with the Receiving Party’s performance under this Agreement. Notwithstanding anything in this Agreement, the Receiving Party shall not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give or disclose the Disclosing Party's Confidential Information to a competitor of the Disclosing Party without the prior written consent of the Disclosing Party.
- b. Confidential Information shall exclude all information, which (a) is at the time of disclosure, or thereafter becomes, a part of the public domain through no act or omission of the other party, its employees or agents; (b) was in the other party's possession as shown by written records prior to the disclosure and had not been obtained by such party either directly or indirectly from the Disclosing Party; (c) is hereafter disclosed to the

other party by a third party who did not acquire the information directly or indirectly from the Disclosing Party hereunder; or (d) was independently developed by the other party without use of the Confidential Information, as evidenced by written records.

7. **Compliance with Laws.** In performing the Services, Hyatt will, at its expense, fully comply with all applicable federal, state and/or local laws, rules, regulations and ordinances.

8. **Insurance.** Franchisee shall maintain insurance as set forth in the Franchise Agreement. To the extent the Franchise Agreement does not address Franchisee's insurance obligations, Franchisee shall procure and at all times during the term of this Agreement maintain such insurance covering the risks, in the amounts, and with the deductibles, retentions and other provisions, as reasonably designated by Hyatt from time to time for recipients of the Services, including but not limited to advertising liability and contractual liability coverage in a minimum amount of \$2,000,000.00 per occurrence or the then-current minimum coverage amount designated by Hyatt. All insurance must by endorsement specifically name Hyatt and its Affiliates (and Hyatt's and their employees and agents) as additional insureds. Franchisee must purchase each policy from an insurance company reasonably acceptable to Hyatt. Either the insurer or Franchisee must provide at least thirty (30) days' prior written notice to Hyatt of any insurance policy's cancellation, non-renewal or material change. Franchisee must deliver to Hyatt a certificate of insurance (or certified copy of such insurance policy if Hyatt requests) evidencing the required coverages and setting forth the amount of any deductibles not less than ten (10) days after their respective inception dates. If Franchisee fails for any reason to procure or maintain the insurance required by this Agreement, Hyatt shall have the right and authority (although without any obligation to do so) to procure such insurance and to charge Franchisee the cost together with a reasonable fee for Hyatt's expenses.

Section 8 shall survive termination or expiration of this Agreement.

9. **Indemnification and Limitation of Liability.**

- a. IF ANY, HYATT'S INDEMNIFICATION OBLIGATIONS IN THE FRANCHISE AGREEMENT ARE INCORPORATED BY THIS REFERENCE INTO THIS AGREEMENT.
- b. IF ANY, FRANCHISEE'S INDEMNIFICATION OBLIGATIONS IN THE FRANCHISE AGREEMENT ARE INCORPORATED BY THIS REFERENCE INTO THIS AGREEMENT.
- c. EXCEPT IN FULFILLMENT OF ANY INDEMNIFICATION OBLIGATIONS, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS OR LOSS OF USE DAMAGES) ARISING OUT OF THE SERVICES OR ANY OBLIGATIONS UNDER THIS AGREEMENT, WHETHER SUCH CLAIM IS BASED UPON BREACH OF CONTRACT, BREACH OF WARRANTY, TORT (INCLUDING NEGLIGENCE) OR ANY OTHER LEGAL THEORY, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES. EXCEPT IN FULFILLMENT OF ANY INDEMNIFICATION OBLIGATIONS, EACH PARTY'S LIABILITY UNDER THIS AGREEMENT WILL BE LIMITED TO AND WILL NOT EXCEED THE SUM WHICH EQUALS THE FEES PAID TO HYATT UNDER THIS AGREEMENT.

d. SECTION 9 SHALL SURVIVE TERMINATION OR EXPIRATION OF THIS AGREEMENT.

10. **Independent Contractor.** Hyatt is an independent contractor and all persons employed to furnish Services hereunder are employees or subcontractors of Hyatt or its affiliates and not of Franchisee.

11. **Incorporation of Franchise Agreement Provisions.** The article entitled Dispute Resolution and the sections entitled Notices, and Governing Law of the Franchise Agreement (if any and even if identified differently) are incorporated by this reference into this Agreement.

12. **Force Majeure.** Neither party shall be liable to the other for any loss or damage due to delays or failure to perform hereunder resulting from events beyond the reasonable control of such party, including without limitation acts of God, action by any governmental entity, pandemic, fire, flood, telecommunication failures or labor disputes (“Force Majeure Event”). In the event that a Force Majeure Event prevents Hyatt from delivering the Services for a period of more than thirty (30) days, either party shall have the right to terminate this Agreement upon notice to the other party.

13. **Binding/Assignment.** Except in the event of termination of this Agreement as set forth in Section 1, this Agreement shall inure to and bind the successors, assigns and representatives of the parties. Franchisee shall not assign this Agreement, except to an affiliate, without the prior written approval of Hyatt. Hyatt may assign this Agreement, including to any of its affiliates, without the prior consent of Franchisee.

14. **Entire Agreement.** This contains the entire agreement between the parties, and supersedes any prior agreement, promises and understandings between them, concerning the subject matter hereto. No representations, promises or agreements, oral or otherwise, not embodied herein, shall be of any force or effect.

15. **Execution / Amendment of Agreement.** This Agreement may be executed in separate counterparts, each of which, when fully executed, shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered via electronic transmission (including PDF) with the same force and effect as if it were executed and delivered by the Parties simultaneously in the presence of one another. This Agreement may be amended only by a written or electronic instrument signed by the parties hereto.

16. **Exhibits.** This Agreement shall prevail over any inconsistent terms in any exhibit attached hereto.

17. **Headings.** The headings in this Agreement are for convenience only and do not affect any provision hereof.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties executed this Agreement as of the Effective Date.

“FRANCHISEE”

[Insert Contracting Entity]

By _____

[Name _____]

[Title _____]

[Date _____]

“HYATT”

Hyatt Corporation

By _____

Asad Ahmed

SVP Commercial Services, Americas

Date _____

Exhibit A To Field Marketing Agreement Program Opt-In Agreement

This Exhibit A is subject to and part of the Field Marketing Program Opt-in Agreement entered into by the parties. All capitalized terms not defined herein shall have the meaning ascribed to them in that Agreement.

From the Service Effective Date until the Agreement is terminated or until this Exhibit A is replaced with an updated Exhibit A that sets forth new Services or fees, each party shall fulfill its obligations hereunder.

1. **Services.** As part of Hyatt's optional Field Marketing Program, Hyatt shall provide the following services:
 - **Paid digital management-** Hyatt will manage and optimize the agreed upon digital media budget in accordance with the Tiered level of support outlined in this section.
 - **Search Engine Optimization management-** Hyatt will provide quarterly (or more frequent) reporting and performance assessment of organic search for Property.
 - **Content support-** Hyatt will manage content, assets and merchandising updates for Property's Hyatt.com presence.
 - **Social media guidance-** Hyatt will provide consultation and best practices for Property to leverage in their property-level social media management.
 - **Agency management support-** Where applicable, Hyatt will manage the relationship directly with any Paid Digital or SEO agencies, holding the agency accountable for performance and relaying property level strategies to the agency.
 - **Field Marketing promo inclusion-** Property will have ability to participate in local and/or regional promotions developed by Hyatt. Hyatt will manage Commercial Services led offers on behalf of Property.
 - **Additional Tier Level support:**
 - Bi-Weekly marketing strategy meetings
 - Monthly reporting/monthly analysis
 - Weekly digital optimizations
2. **Compensation.** Subject to section 4 of the Agreement, Owner shall pay Hyatt \$2,208.33 USD per month commencing on the Service Effective Date.

EXHIBIT M

SERVICE AGREEMENT FOR REVENUE OPTIMIZATION SERVICES

SERVICE AGREEMENT FOR REVENUE OPTIMIZATION SERVICES

THIS SERVICE AGREEMENT FOR REVENUE OPTIMIZATION SERVICES (the “Agreement”) is made this _____ day of _____, 2022 (the “Effective Date”), by and between (Name of Franchisee), a [(Entity)] located at [(Business Address)] (“Owner”) and Hyatt Franchising, L.L.C., a Delaware limited liability company located at 150 North Riverside Plaza, Chicago, Illinois 60606 (“Hyatt”).

BACKGROUND:

Owner owns or will own the [_____] Hotel, which is or will be located at [(Hotel Address)] (the “Hotel”) and operated pursuant to a franchise agreement dated _____, 202_ between Hyatt and Owner (as it may be amended, the “Franchise Agreement”). Owner desires to retain revenue optimization services from Hyatt in connection with Owner’s operation of the Hotel. The parties, therefore, hereby mutually agree as follows. Capitalized terms used herein but not defined shall have the meaning ascribed to them in the Franchise Agreement.

1. Term and Termination. This Agreement shall be for a term (the “Term”) commencing on the Effective Date and ending upon the expiration or termination of the Franchise Agreement, unless sooner terminated pursuant to the terms of this Agreement (the “Expiration Date”). The Services provided by Hyatt shall commence: (a) if the Hotel is already operating as of the date of this Agreement, on a date Hyatt determines not less than ninety (90) days following execution of this Agreement (unless Hyatt consents to an earlier date) or (b) if this Agreement is being executed in connection with the development of a new hotel, on a date Hyatt determines approximately ninety (90) days prior to the anticipated or scheduled opening of the Hotel for the “Essential” service tier level service or one hundred twenty (120) days prior to the anticipated or scheduled opening of the Hotel for the “Premium” service tier level service (the “Service Commencement Date”).

This Agreement may be terminated as follows:

- a. Either party may terminate this Agreement for any reason or no reason by notifying the other party in writing at least ninety (90) days in advance [***provided, however, Owner may not terminate this Agreement pursuant to this Subsection 1(a), or select a service tier level lower than the “_____” tier, for an effective date of termination that is earlier than ___ () months after the later of Service Commencement Date or the last day of Opening Month***];
- b. This Agreement shall automatically terminate if the Franchise Agreement expires or is terminated and Owner does not enter into a hotel management agreement or hotel services agreement with Hyatt or its affiliate such that the Hotel continues to operate under a Hyatt brand or Hyatt affiliation immediately following such termination; and

- c. If either party commits a material breach of any provision of this Agreement and has failed to cure such breach within ten (10) days of receiving written notice thereof, the other party may terminate this Agreement immediately upon written notice.

Upon termination of this Agreement, Owner shall remit to Hyatt payment for Services rendered through the effective date of termination.

2. Scope of Service. Commencing on the Service Commencement Date, Hyatt will provide revenue optimization services for the Hotel according to the service tier level (Essential or Premium) selected by Owner in writing or as agreed to between Owner and Hyatt in writing (the “Services”). As of the Service Commencement Date, the applicable service tier level is or will be the “[**Essential or Premium**]” service tier level. Owner may change its service tier level by providing a minimum of sixty (60) days written notice to Hyatt, provided that Hyatt may agree to a shorter notice period at its sole determination. Hyatt will, upon Owner’s request, use commercially reasonable efforts to provide Owner with information regarding the scope and levels of service provided by Hyatt for each service tier level.

Notwithstanding Hyatt’s provision of the Services, Owner is solely responsible for all decisions relating to the revenue optimization and other aspects of the day-to-day control of the Hotel’s operations.

3. Schedule; Personnel. Hyatt will provide the Services on a schedule and using such personnel as Hyatt determines. The Services may be rendered by one or more employees or contractors of Hyatt or its affiliates, as Hyatt determines, and such person(s): (a) may not be solely dedicated to the Hotel, and may perform similar services for other hotels; (b) may perform Services on site at the Hotel or remotely; and (c) will conform to the reasonable rules and regulations of the Hotel when on Hotel premises. Owner hereby designates as Owner’s representative to direct the provision of the Services (as defined below) with respect to the Hotel:

[Name, Title]
[email]
[telephone]

4. Equipment and Material. Owner will provide and maintain adequate office space, equipment, systems, reports and materials at the Hotel in accordance with the System Standards (as defined in the Franchise Agreement) including, but not limited to, access to Smith Travel Reports and to the Hotel proprietary systems to permit timely performance and completion of the Services.

5. Fees and Reimbursements. Commencing on the Service Commencement Date, Owner will pay Hyatt services fees according to the service tier level then in effect (the “Fees”). As the date of this Agreement, the fees for each service tier level are as follows:

- (a) For “Essential” Tier Level: Eight Hundred Twenty Five Dollars (\$825) per month for calendar months preceding the Opening Month (if applicable) and One

Thousand Six Hundred Fifty Dollars (\$1,650) per month from and after the Opening Month; and

- (b) For “Premium” Tier Level: Two Thousand Four Hundred and Seventy Five Dollars (\$2,475) per month for calendar months preceding the Opening Month (if applicable) and Three Thousand Three Hundred Dollars (\$3,300) per month from and after the Opening Month.

For purposes of this Section 5, “Opening Month” means the calendar month in which the Hotel first opens to the public as a Hyatt branded or affiliated hotel, provided that if such date occurs after the 16th day of the month, then the “Opening Month” is the immediately following calendar month.

Hyatt may periodically increase the Fees at any time upon thirty (30) days’ prior written notice to Owner, provided that Hyatt may not increase the Fees by more than ten percent (10%) per calendar year.

In addition to payment of the Fees, Hyatt reserves the right to charge Owner for reimbursement of expenses reasonably incurred by Hyatt in rendering the Services, including for transportation and related expenses, printing, photocopying, postage, and delivery services.

6. Compliance with Laws. In performing the Services, Hyatt will, at its expense, fully comply with all federal, state and/or local laws, rules, regulations and ordinances.

7. Indemnification. Owner will defend, indemnify and hold harmless Hyatt, its affiliates, and its and their respective officers, directors, agents and employees, representatives, successors and assigns (the “Indemnified Parties”) against, and will reimburse any one or more of the Indemnified Parties for, all Losses (as defined in the Franchise Agreement) directly or indirectly arising out of, resulting from, or in connection with the performance of the Services or the presence of Hyatt’s personnel at the Hotel, including, but not limited to, all Losses from or arising out of any bodily injuries to or the death of any of Hyatt’s employees working at the Hotel, however caused or occasioned. However, Owner has no obligation to indemnify under this Section 7 if a court of competent jurisdiction makes a final decision not subject to further appeal that Hyatt, its affiliate, or any of their respective employees directly engaged in willful misconduct or gross negligence or intentionally caused the property damage or bodily injury that is the subject of the claim, so long as the claim is not asserted on the basis of a theory of vicarious liability (including agency, apparent agency or employment), which are claims to which the Indemnified Parties are entitled to indemnification under this Section. The provisions of this Section 7 shall survive termination or expiration of this Agreement.

8. Insurance. Owner shall maintain insurance as set forth in the Franchise Agreement. To the extent the Franchise Agreement does not address Owner’s insurance obligations, Owner shall procure prior to the Service Commencement Date and for the remainder of the Term maintain such insurance covering the risks, in the amounts, and with the deductibles, retentions and other provisions, as reasonably designated by Hyatt from time to time for recipients of the Services, including but not limited to advertising liability and contractual liability coverage in a minimum amount of \$2,000,000.00 per occurrence or the then-current minimum coverage amount

designated by Hyatt. All insurance must by endorsement specifically name Hyatt and its affiliates (and Hyatt's and their employees and agents) as additional insureds. Owner must purchase each policy from an insurance company reasonably acceptable to Hyatt. Either the insurer or Owner must provide at least thirty (30) days' prior written notice to Hyatt of any insurance policy's cancellation, non-renewal or material change. Owner must deliver to Hyatt a certificate of insurance (or certified copy of such insurance policy if Hyatt requests) evidencing the required coverages and setting forth the amount of any deductibles not less than ten (10) days after their respective inception dates. If Owner fails for any reason to procure or maintain the insurance required by this Agreement, Hyatt shall have the right and authority (although without any obligation to do so) to procure such insurance and to charge Owner the cost together with a reasonable fee for Hyatt's expenses. Section 8 shall survive termination or expiration of this Agreement.

9. Indemnification and Limitation of Liability.

- a. IF ANY, HYATT'S INDEMNIFICATION OBLIGATIONS IN THE FRANCHISE AGREEMENT ARE INCORPORATED BY THIS REFERENCE INTO THIS AGREEMENT.
- b. IF ANY, OWNER'S INDEMNIFICATION OBLIGATIONS IN THE FRANCHISE AGREEMENT ARE INCORPORATED BY THIS REFERENCE INTO THIS AGREEMENT.
- c. EXCEPT IN FULFILLMENT OF ANY INDEMNIFICATION OBLIGATIONS, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS OR LOSS OF USE DAMAGES) ARISING OUT OF THE SERVICES OR ANY OBLIGATIONS UNDER THIS AGREEMENT, WHETHER SUCH CLAIM IS BASED UPON BREACH OF CONTRACT, BREACH OF WARRANTY, TORT (INCLUDING NEGLIGENCE) OR ANY OTHER LEGAL THEORY, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES. EXCEPT IN FULFILLMENT OF ANY INDEMNIFICATION OBLIGATIONS, EACH PARTY'S LIABILITY UNDER THIS AGREEMENT WILL BE LIMITED TO AND WILL NOT EXCEED THE SUM WHICH EQUALS THE FEES PAID TO HYATT UNDER THIS AGREEMENT.
- d. THIS SECTION 9 SHALL SURVIVE TERMINATION OR EXPIRATION OF THIS AGREEMENT.

10. Confidentiality. Hyatt and its affiliates have in the past acquired and developed, and in the future may acquire and develop, a substantial amount of commercially useful Proprietary Information (defined below) which gives them competitive advantages over those who do not have, or would have to expend significant efforts to compile, comparable information, including but not limited to revenue optimization practices and material. "Proprietary Information" includes, but is not limited to, (i) information concerning both successful and unsuccessful tests and ideas and technologies, (ii) information concerning Hyatt's and its affiliates' business or business plans, (iii) information which Hyatt compiles and maintains in databases for its internal business purposes, including, but not limited to, information regarding Hyatt's customers, (iv) information

disclosed by Hyatt's personnel in conversations verbally noted as "confidential" or in documents marked "confidential", (v) any reports, materials, program materials, software, flowcharts, notes, outlines and the like, used, created or developed by Hyatt or its affiliates in connection herewith ("Work Product"), and (vi) any other information which Owner is informed or reasonably ought to know Hyatt regards as confidential. Owner will keep all Proprietary Information and Work Product confidential at all times, and further, Owner does not have right, title, interest or copyright in any Proprietary Information, Work Product or Hyatt confidential information, nor any license to use, sell, exploit, copy or further develop such Proprietary Information, Work Product or confidential information. This provision will survive the expiration or earlier termination of this Agreement.

11. Independent Contractor. Hyatt is an independent contractor and all persons employed to furnish Services hereunder are employees or subcontractors of Hyatt or its affiliates and not of Owner.

12. Incorporation of Franchise Agreement Provisions. The article entitled Dispute Resolution and the sections entitled Notices, and Governing Law of the Franchise Agreement (if any and even if identified differently) are incorporated by this reference into this Agreement.

13. Force Majeure. Neither party shall be liable to the other for any loss or damage due to delays or failure to perform hereunder resulting from events beyond the reasonable control of such party, including without limitation acts of God, action by any governmental entity, pandemic, fire, flood, telecommunication failures or labor disputes.

14. Binding/Assignment. Except in the event of termination of this Agreement as set forth in Section 1, this Agreement shall inure to and bind the successors, assigns and representatives of the parties. Owner shall not assign this Agreement, except to an affiliate, without the prior written approval of Hyatt. Hyatt may assign this agreement, including to any of its affiliates, without the prior consent of Owner.

15. Entire Agreement. This contains the entire agreement between the parties, and supersedes any prior agreement, promises and understandings between them, concerning the subject matter hereto. No representations, promises or agreements, oral or otherwise, not embodied herein, shall be of any force or effect.

16. Execution / Amendment of Agreement. This Agreement may be executed in separate counterparts, each of which, when fully executed, shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered via electronic transmission (including PDF) with the same force and effect as if it were executed and delivered by the Parties simultaneously in the presence of one another. This Agreement may be amended only by a written or electronic instrument signed by the parties hereto.

17. Headings. The headings in this Agreement are for convenience only and do not affect any provision hereof.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

(OWNER)

HYATT FRANCHISING, L.L.C.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT N

STATE-SPECIFIC ADDITIONAL DISCLOSURES AND RIDERS

**ADDITIONAL DISCLOSURES TO THE
MULTI-STATE FRANCHISE DISCLOSURE DOCUMENT OF
HYATT FRANCHISING, L.L.C.**

The following are additional disclosures to the Multi-state Franchise Disclosure Document of Hyatt Franchising, L.L.C. required by various state franchise laws. Each provision of these additional disclosures will not apply unless, with respect to that provision, the jurisdictional requirements of the applicable state franchise registration and disclosure law are met independently without reference to these additional disclosures.

MARYLAND

1. The following language is added to the end of the “Summary” sections of Item 17(c), entitled **Requirements for franchisee to renew or extend**, and Item 17(m), entitled **Conditions for franchisor approval of transfer**:

Any release required as a condition of renewal and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. The following language is added to the end of the “Summary” section of Item 17(h), entitled **“Cause” defined – non-curable defaults**:

Termination upon insolvency might not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.), but we will enforce it to the extent enforceable.

3. The following language is added to the end of the “Summary” section of Item 17(v), entitled **Choice of forum**:

Franchisee may, subject to any arbitration obligations, bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law to the extent required by the Maryland Franchise Registration and Disclosure Law, unless preempted by the Federal Arbitration Act.

4. The following language is added to the end of the “Summary” section of Item 17(w), entitled **Choice of law**:

; however, to the extent required by the Maryland Franchise Registration and Disclosure Law, subject to your arbitration obligation, you may bring an action in Maryland.

5. The following language is added to the end of the chart in Item 17:

You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after the grant of the franchise.

MINNESOTA

The following is added at the end of the chart in Item 17:

For franchises governed by Minnesota law, we will comply with Minn. Stat. §80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

Any release as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by law for claims arising under Minn. Rule 2860.4400D.

Minn. Rule Part 2860.4400J prohibits a franchisee from waiving rights to a jury trial; waiving rights to any procedure, forum or remedies provided by the laws of the jurisdiction; or consenting to liquidated damages, termination penalties or judgment notes. However, we and you will enforce these provisions in our Franchise Agreement to the extent the law allows.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibits us from requiring litigation to be conducted outside Minnesota. Those provisions also provide that no condition, stipulations or provision in the Franchise Agreement shall in any way abrogate or reduce any rights you have under the Minnesota Franchises Law, including (subject to your arbitration obligation) the right to submit matters to the jurisdiction of the courts of Minnesota and the right to any procedure, forum or remedies that the laws of the jurisdiction provide.

NORTH DAKOTA

1. The following is added to the end of the "Remarks" column of the rows in the Item 6 chart entitled "Royalty fee upon termination," "Liquidated damages upon condemnation," and "Liquidated damages upon termination":

The Commissioner has determined termination or liquidated damages to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. However, we and you agree to enforce these provisions to the extent the law allows.

2. the end of the "Summary" sections of Item 17(c), entitled **Requirements for franchisee to renew or extend**, and Item 17(m), entitled **Conditions for franchisor approval of transfer by franchisee**:

Any release will not apply to the extent prohibited by applicable law to claims arising under the North Dakota Franchise Investment Law.

3. The “Summary” section of Item 17(u), entitled **Dispute resolution by arbitration or mediation**, is deleted and replaced with the following:

Except for certain claims, we and you must arbitrate all disputes at a location the arbitrator chooses within 10 miles of our then current principal business address; however, to the extent required by the North Dakota Franchise investment Law (unless preempted by the Federal Arbitration Act), we and you will arbitrate at a site to which we and you mutually agree.

4. The following is added to the end of the “Summary” section of Item 17(v), entitled **Choice of forum**:

; however, to the extent required by applicable law, subject to your arbitration obligation, you may bring an action in North Dakota.

5. The following is added to the end of the “Summary” section of Item 17(w), entitled **Choice of law**:

Except for Federal Arbitration Act and other federal law, to the extent required by law, North Dakota law applies.

**RIDER TO THE HYATT FRANCHISING, L.L.C.
FRANCHISE AGREEMENT
FOR USE IN MARYLAND**

This Rider is made and entered into as of _____, 2022 (this “**Agreement**”) by and between _____, a _____ (“**Franchisee**”) and **HYATT FRANCHISING, L.L.C.**, a Delaware limited liability company (“**Hyatt**”).

1. **Background.** Hyatt and Franchisee are parties to that certain Franchise Agreement dated _____, 2022 that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) Franchisee is a resident of Maryland, or (b) the Hyatt Hotel will be located or operated in Maryland.

2. **RELEASES.** The following language is added to the end of Section 12.4 and the end of the second sentence of Section 13.3 of the Franchise Agreement:

; provided, however, that such general release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. **DISPUTE RESOLUTION.** The following sentence is added to the end of the first paragraph of Section 14.1:

Franchisee may, subject to any arbitration obligations, bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law to the extent required by the Maryland Franchise Registration and Disclosure Law, unless preempted by the Federal Arbitration Act.

4. **GOVERNING LAW.** The following sentence is added to the end of Section 14.2:

However, to the extent required by applicable law, Maryland law will apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

5. **LIMITATIONS OF CLAIMS.** The following sentence is added to the end of Section 14.6 of the Franchise Agreement:

, except that any and all claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the Franchise.

6. **ACKNOWLEDGMENTS.** The following language is added to the end of Article XIX of the Franchise Agreement:

Such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

IN WITNESS WHEREOF, the parties have signed this Rider as of the dates set forth by their signatures, to be effective as of the Effective Date.

FRANCHISEE:

ENTITYNAMECAPS

By: _____
SIGNEE NAME
SIGNEE TITLE

Date: _____

HYATT FRANCHISING, L.L.C.

By: _____

Date: _____

**RIDER TO THE HYATT FRANCHISING, L.L.C.
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA**

This Rider is made and entered into as of _____, 2022 (this “**Agreement**”) by and between _____, a _____ (“**Franchisee**”) and **HYATT FRANCHISING, L.L.C.**, a Delaware limited liability company (“**Hyatt**”).

1. **Background.** Hyatt and Franchisee are parties to that certain Franchise Agreement dated _____, 2022 that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Hyatt Hotel that Franchisee will operate under the Franchise Agreement was made in the State of Minnesota, and/or (b) the Hyatt Hotel will be located or operated in Minnesota.

2. **Termination Penalties/Liquidated Damages.** The following language is added to the end of Sections 10.1, 10.2, 16.1 and 16.5 of the Franchise Agreement

Hyatt and Franchisee acknowledge that certain parts of these provisions are not enforceable under Minn. Rule Part 2860.4400J; however, the parties will enforce these provisions to the extent the law allows.

3. **Releases.** The following language is added to the end of Section 12.4 and the end of the second sentence of Section 13.3 of the Franchise Agreement:

; however, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

4. **Termination and Renewal.** The following language is added to the end of Sections 13.2 and 15.3 of the Franchise Agreement:

Minnesota law provides Franchisee with certain termination and non-renewal rights. Minn. Stat. §80C.14 Subds. 3, 4 and 5 require, except in certain specified cases, that Franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of this Agreement.

5. **Governing Law/Consent to Jurisdiction.** The following sentence is added to the end of Sections 14.2 and 14.3 of the Franchise Agreement:

PURSUANT TO MINN. STAT. §80C.21 AND MINN. RULE PART 2860.4400J, THESE SECTIONS SHALL NOT IN ANY WAY ABROGATE OR REDUCE FRANCHISEE’S RIGHTS AS PROVIDED FOR IN MINNESOTA STATUTES 1984, CHAPTER 80C, INCLUDING, SUBJECT TO THE PARTIES’ ARBITRATION OBLIGATION, THE RIGHT TO SUBMIT MATTERS TO THE JURISDICTION OF THE COURTS OF MINNESOTA.

6. **Waiver of Punitive Damages and Jury Trial.** If required by the Minnesota Franchises Law, Section 14.5 of the Franchise Agreement is deleted.

7. **Limitations of Claims.** The following sentence is added to the end of Section 14.6 of the Franchise Agreement:

However, Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than three (3) years after the cause of action accrues.

IN WITNESS WHEREOF, the parties have signed this Rider as of the dates set forth by their signatures, to be effective as of the Effective Date.

FRANCHISEE:

ENTITYNAMECAPS

By: _____
SIGNEE NAME
SIGNEE TITLE

Date: _____

HYATT FRANCHISING, L.L.C.

By: _____

Date: _____

**RIDER TO THE HYATT FRANCHISING, L.L.C.
MUTUAL CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT
FOR USE IN MINNESOTA**

This Rider is made and entered into as of _____, 2022 by and among _____, _____, and _____ (collectively, "Interested Party") and **HYATT FRANCHISING, L.L.C.**, a Delaware limited liability company ("Hyatt").

1. **Background.** Hyatt and Interested Party are parties to that certain Confidentiality and Non-Disclosure Agreement dated _____, 2022 that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Confidentiality and Non-Disclosure Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Hyatt Hotel that Interested Party would operate under a franchise agreement was made in the State of Minnesota, and/or (b) the Hyatt Hotel would be located or operated in Minnesota.

2. **Enforcement.** The following sentence is added to the end of Section 8(c) of the Confidentiality and Non-Disclosure Agreement:

Pursuant to Minn. Stat. §80C.21 and Minn. Rule Part 2860.4400J, this Section shall not in any way abrogate or reduce Interested Party's rights as provided for in Minnesota Statutes 1984, Chapter 80C, including the right to submit matters to the jurisdiction of the courts of Minnesota.

IN WITNESS WHEREOF, Interested Party has signed this Agreement as of the date first written above.

a(n) _____

By: _____

Name: _____

Title: _____

**RIDER TO THE HYATT FRANCHISING, L.L.C.
FRANCHISE AGREEMENT
FOR USE IN NORTH DAKOTA**

This Rider is made and entered into as of _____, 2022 (this “**Agreement**”) by and between _____, a _____ (“**Franchisee**”) and **HYATT FRANCHISING, L.L.C.**, a Delaware limited liability company (“**Hyatt**”).

1. **Background.** Hyatt and Franchisee are parties to that certain Franchise Agreement dated _____, 2022 that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Hyatt Hotel Franchisee will operate under the Franchise Agreement was made in the State of North Dakota, and/or (b) Franchisee is a resident of North Dakota and will operate the Hyatt Hotel in North Dakota.

2. **Liquidated Damages.** The following language is added to the end of Sections 10.1, 10.2, 16.1 and 16.5 of the Franchise Agreement:

The Commissioner has determined termination or liquidated damages to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. However, Hyatt and Franchisee agree to enforce these provisions to the extent the law allows.

3. **Releases.** The following language is added to the end of the first sentence of Section 10.1.2, the end of Section 12.4(e) and the end of the second sentence of Section 13.3 of the Franchise Agreement:

Any release will not apply to the extent otherwise prohibited by applicable law with respect to claims arising under the North Dakota Franchise Investment Law.

4. **Arbitration.** The fourth sentence of Section 14.1 of the Franchise Agreement is deleted and replaced with the following:

All proceedings will be conducted at a suitable location chosen by the arbitrator that is within ten (10) miles of Hyatt’s then current principal business address; however, if required by the North Dakota Franchise Investment Law (unless preempted by the Federal Arbitration Act), Hyatt and Franchisee will arbitrate at a site to which Hyatt and Franchisee mutually agree.

5. **Governing Law.** The following language is added to the end of Section 14.2 of the Franchise Agreement:

HOWEVER, TO THE EXTENT REQUIRED BY THE NORTH DAKOTA FRANCHISE INVESTMENT LAW, NORTH DAKOTA LAW APPLIES TO THIS AGREEMENT.

6. **Consent to Jurisdiction.** The following language is added to the end of Section 14.3 of the Franchise Agreement:

HOWEVER, SUBJECT TO THE PARTIES' ARBITRATION OBLIGATIONS, TO THE EXTENT REQUIRED BY THE NORTH DAKOTA FRANCHISE INVESTMENT LAW, FRANCHISEE MAY BRING AN ACTION IN NORTH DAKOTA.

7. **Waiver of Punitive Damages and Jury Trial.** If required by the North Dakota Franchise Investment Law, Section 14.5 of the Franchise Agreement is deleted.

8. **Limitations of Claims.** The following is added to the end of Section 14.6 of the Franchise Agreement:

The time limitations set forth in this Section might be modified by the North Dakota Franchise Investment Law.

IN WITNESS WHEREOF, the parties have signed this Rider as of the dates set forth by their signatures, to be effective as of the Effective Date.

FRANCHISEE:

ENTITYNAMECAPS

By: _____
SIGNEE NAME
SIGNEE TITLE

Date: _____

HYATT FRANCHISING, L.L.C.

By: _____

Date: _____

**RIDER TO THE HYATT FRANCHISING, L.L.C.
MUTUAL CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT
FOR USE IN NORTH DAKOTA**

This Rider is made and entered into as of _____, 2022 by and among _____, _____, and _____ (collectively, “Interested Party”) and **HYATT FRANCHISING, L.L.C.**, a Delaware limited liability company (“Hyatt”).

1. **Background.** Hyatt and Interested Party are parties to that certain Confidentiality and Non-Disclosure Agreement dated _____, 2022 that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Confidentiality and Non-Disclosure Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Hyatt Hotel Interested Party would operate under a franchise agreement was made in the State of North Dakota, and/or (b) Interested Party is a resident of North Dakota and would operate the Hyatt Hotel in North Dakota.

2. **Enforcement.** The following language is added to the end of Section 8(c) of the Confidentiality and Non-Disclosure Agreement:

Despite this provision, to the extent required by the North Dakota Franchise Investment Law, North Dakota law will apply to this Agreement.

IN WITNESS WHEREOF, Interested Party has signed this Agreement as of the date first written above.

a(n) _____

By: _____
Name: _____
Title: _____

HYATT FRANCHISING, L.L.C.

GRANT OF FRANCHISOR CONSENT AND FRANCHISEE RELEASE

HYATT FRANCHISING, L.L.C. (“we,” “us,” or “our”) and the undersigned franchisee, _____ (“you” or “your”), currently are parties to a certain Franchise Agreement (the “Franchise Agreement”) dated _____. You have asked us to take the following action or to agree to the following request: [insert as appropriate for renewal or transfer situation] _____

_____. We have the right under the Franchise Agreement to obtain a general release from you (and, if applicable, your owners) as a condition of taking this action or agreeing to this request. Therefore, we are willing to take the action or agree to the request specified above if you (and, if applicable, your owners) give us the release and covenant not to sue provided below in this document. You (and, if applicable, your owners) are willing to give us the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above.

Consistent with the previous introduction, you, on your own behalf and on behalf of your affiliates, and your and their respective owners, officers, directors, partners, managers, employees, representatives and agents, and all of your and their respective successors, heirs, executors, administrators, personal representatives and assigns (collectively, the “Releasing Parties”), hereby forever release and discharge us and our current and former affiliates, and our and their respective owners, officers, directors, partners, managers, employees, representatives and agents, and all of our and their respective successors, heirs, executors, administrators, personal representatives and assigns (collectively, the “Hyatt Parties”), from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind (collectively, “Claims”) that you or any of the other Releasing Parties now has, ever had, or, but for this document, hereafter would or could have against any of the Hyatt Parties (1) arising out of or related to the Releasing Parties’ rights or the Hyatt Parties’ obligations under the Franchise Agreement or any related agreement, or (2) otherwise arising from or related to your or any of the other Releasing Parties’ relationship, from the beginning of time to the date of your signature below, with any of the Hyatt Parties. You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Hyatt Parties on any of the Claims released by this paragraph and represent that you have not assigned any of the Claims released by this paragraph to any individual or entity who is not bound by this paragraph.

[Signature Page Follows]

FRANCHISEE:

ENTITYNAMECAPS

By: _____
 SIGNEENAME
 SIGNEETITLE

Date: _____

HYATT FRANCHISING, L.L.C.

By: _____

Date: _____

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	March 28, 2022 (Exempt)
Hawaii	Pending
Illinois	March 28, 2022 (Exempt)
Indiana	March 28, 2022 (Exempt)
Maryland	Pending (Exempt)
Michigan	March 28, 2022
Minnesota	Pending
New York	March 28, 2022 (Exempt)
North Dakota	Pending (Exempt)
Rhode Island	Pending (Exempt)
South Dakota	Pending
Virginia	Pending (Exempt)
Washington	Pending (Exempt)
Wisconsin	March 28, 2022

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

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 Hyatt Franchising, L.L.C. 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.

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 Hyatt Franchising, L.L.C. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified in Exhibit E.

The franchisor is Hyatt Franchising, L.L.C. located at 150 North Riverside Plaza, Chicago, Illinois 60606. Its telephone number is (312) 750-1234.

The franchise sellers for this offering are: Jim Chu, Executive Vice President – Global Franchising and Development, Hyatt Franchising, L.L.C., 150 North Riverside Plaza, Chicago, Illinois 60606, (312) 780-5891; and

- | | |
|--|--|
| <input type="checkbox"/> James K. Bertram
5 Embarcadero Center
San Francisco, California 9411
(415) 675-6229 | <input type="checkbox"/> David Peters
150 North Riverside Plaza
Chicago, Illinois 60606
(312) 750-1234 |
| <input type="checkbox"/> Rika Lisslo
152 West 57 th Street, Floor 5
New York, New York 10019
(917) 273-4341 | <input type="checkbox"/> David Tarr
150 North Riverside Plaza
Chicago, Illinois 60606
(312) 750-1234 |
| <input type="checkbox"/> Camilo Bolanos
396 Alhambra Circle, Suite 788
Coral Gables, Florida 33134
(304) 777-1234 | |
| <input type="checkbox"/> Catie Cramer
150 North Riverside Plaza
Chicago, Illinois 60606
(312) 750-1234 | |

Issuance Date: March 28, 2022.

Hyatt Franchising, L.L.C. authorizes the respective state agents identified on Exhibit E to receive service of process for it in the particular states. I received a disclosure document from Hyatt Franchising, L.L.C. dated as of March 28, 2022, that included the following Exhibits:

Exhibit A	Financial Statements
Exhibit B	Franchise Application
Exhibit C	Franchise Agreement
Exhibit D	Design and Constructions Standards
Exhibit E	State Administrators/Agents for Service of Process
Exhibit F	System Standards Table of Contents
Exhibit G	Confidentiality Agreement
Exhibit H	List of Franchisees
Exhibit I	List of Franchisees Who Left the System
Exhibit J	Comfort Letter
Exhibit K	Hosting Services Agreement
Exhibit L	Field Marketing Program Opt-In Agreement
Exhibit M	Service Agreement for Revenue Optimization Services
Exhibit N	State-Specific Disclosures and Riders

Date

Prospective Franchisee Name

Authorized Signature

RECEIPT

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 Hyatt Franchising, L.L.C. 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.

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 Hyatt Franchising, L.L.C. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified in Exhibit E.

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The franchise sellers for this offering are: Jim Chu, Executive Vice President – Global Franchising and Development, Hyatt Franchising, L.L.C., 150 North Riverside Plaza, Chicago, Illinois 60606, (312) 780-5891; and

James K. Bertram
5 Embarcadero Center
San Francisco, California 9411
(415) 675-6229

David Peters
150 North Riverside Plaza
Chicago, Illinois 60606
(312) 750-1234

Rika Lisslo
152 West 57th Street, Floor 5
New York, New York 10019
(917) 273-4341

David Tarr
150 North Riverside Plaza
Chicago, Illinois 60606
(312) 750-1234

Camilo Bolanos
396 Alhambra Circle, Suite 788
Coral Gables, Florida 33134
(304) 777-1234

Catie Cramer
150 North Riverside Plaza
Chicago, Illinois 60606
(312) 750-1234

Issuance Date: March 28, 2022.

Hyatt Franchising, L.L.C. authorizes the respective state agents identified on Exhibit E to receive service of process for it in the particular states. I received a disclosure document from Hyatt Franchising, L.L.C. dated as of March 28, 2022, that included the following Exhibits:

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Exhibit L	Field Marketing Program Opt-In Agreement
Exhibit M	Service Agreement for Revenue Optimization Services
Exhibit N	State-Specific Disclosures and Riders

Date

Prospective Franchisee Name

Authorized Signature

After signing and dating the Receipt, you may return it to us (to the attention of Jim Chu) by sending the original via overnight courier or 1st class mail to our address above or by emailing a scanned copy to Jim.Chu@hyatt.com