City of Chicago

O2018-8860

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	10/31/2018
Sponsor(s):	Emanuel (Mayor)
Type:	Ordinance
Title:	Service agreements with Hilton Management LLC or Hyde Park Hospitality LLC related to renovation, operations and management, technical services, pre-opening, and food and beverage operations for the city-owned hotel located at O'Hare airport
Committee(s) Assignment:	Committee on Aviation

AVIA

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

October 31, 2018

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Aviation, I transmit herewith an ordinance authorizing the execution of agreements with Hilton Management and Hyde Park Hospitality.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE

WHEREAS, The City of Chicago ("City") is a home rule unit of government as defined in Article VII, §6(a) of the Illinois Constitution, and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The City owns and operates Chicago O'Hare International Airport ("Airport") and possesses the power and authority to lease its premises and facilities and to grant other rights and privileges with respect thereto; and

WHEREAS, The City is vested with authority to provide for the needs of aviation, commerce, shipping, and traveling to and around the Airport to promote and develop the Airport, and, in the exercise of such power, to enter into agreements with entities to manage City-owned properties at the Airport, upon such terms and conditions as the corporate authorities of the City shall prescribe; and

WHEREAS, The City owns the only existing hotel ("Existing Hotel") located at the Airport; and

WHEREAS, The City desires to renovate the Existing Hotel to become a first-class "Upper Upscale" hotel (as defined by Smith Travel Research); and

WHEREAS, On April 19, 2017, the City issued a request for proposals ("RFP") for the management of, technical services relating to the development of, and pre-opening and related services in connection with the renovation of the Existing Hotel; and

WHEREAS, Hilton Management LLC ("Hilton") responded to the RFP with its proposal dated May 23, 2017; and

WHEREAS, The City has evaluated all of the proposals submitted in response to its RFP and selected Hilton to operate and manage the Existing Hotel pursuant to a management agreement ("Management Agreement"), to provide technical services in connection with the renovation of the Existing Hotel pursuant to the terms and conditions set forth in a technical services agreement ("Technical Services Agreement") and to provide pre-opening and procurement services, and certain related services in connection with the Existing Hotel pursuant to a pre-opening and related services agreement ("Pre-Opening Agreement"); and

WHEREAS, The City desires to enter into a Management Agreement with Hilton to operate and manage the Existing Hotel pursuant to the terms and conditions set forth in the Management Agreement in substantially the form of Management Agreement attached hereto as Exhibit A; and

WHEREAS, The City desires to enter into a Technical Services Agreement with Hilton to provide technical services, including, but not limited to, planning, designing, equipping, decorating and furnishing in connection with the renovation of the Existing Hotel, pursuant to the terms and conditions set forth in the Technical Services Agreement in substantially the form of Technical Services Agreement attached hereto as Exhibit B; and

WHEREAS, The City desires to enter into a Pre-Opening Agreement with Hilton to perform

pre-opening and related services, including, but not limited to, training of employees, developing sales, advertising, marketing and promotional programs, in connection with the Existing Hotel pursuant to the terms and conditions set forth in the Pre-Opening Agreement in substantially the form of Pre-Opening Agreement attached hereto as Exhibit C; and

WHEREAS, The Existing Hotel will continue to provide food and beverage operations for its guests; and

WHEREAS, Hyde Park Hospitality LLC, a Delaware limited liability company ("Hyde Park") and its affiliates are engaged in the business of providing food and beverage services for third parties and providing operation and management services related to the same; and

WHEREAS, The City desires to retain Hyde Park to operate and manage the food and beverage operations at the Existing Hotel, including the (i) restaurants within the Existing Hotel, along with the kitchen, food storage areas, refrigerators, freezers and other back-of-house areas related to the restaurants, (ii) provision of food and beverage services to the banquet and second floor meeting spaces at the Existing Hotel, and (iii) grab-and-go retail outlet (collectively, the F & B Operations"); and

WHEREAS, The City desires to enter into a Food and Beverage Agreement with Hyde Park to provide F & B Operations pursuant to the terms and conditions set forth in the Food and Beverage Agreement in substantially the form of Food and Beverage Agreement attached hereto as Exhibit D; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are incorporated by reference as if fully set forth herein.

SECTION 2. The Mayor or the mayor's proxy is hereby authorized to execute, upon the recommendation of the Commissioner of the Chicago Department of Aviation ("Commissioner") and the approval of the Corporation Counsel as to form and legality, a Management Agreement, a Technical Services Agreement, and a Pre-Opening Agreement with Hilton substantially in the respective forms of such agreements ("collectively, the "Agreements") that are attached hereto.

SECTION 3. The Mayor or the mayor's proxy is hereby authorized to execute, upon the recommendation of the Commissioner and the approval of the Corporation Counsel as to form and legality, a Food and Beverage Agreement with Hyde Park substantially in the form of such Food and Beverage Agreement that is attached hereto.

SECTION 4. The Commissioner and such other City officials and employees as may be required are authorized to take such actions and execute such other documents as may be necessary or desirable to implement the objectives of this ordinance.

SECTION 5. This ordinance shall take effect immediately upon its passage and approval.

EXHIBIT A

MANAGEMENT AGREEMENT

for the

CHICAGO O'HARE INTERNATIONAL AIRPORT HOTEL

between the

CITY OF CHICAGO

and

HILTON MANAGEMENT LLC

DATED: _____

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EXHIBITS

DEFINITIONS

MANAGEMENT AGREEMENT

This **MANAGEMENT AGREEMENT** (this "Agreement") is entered into between the **City of Chicago** ("Owner" or the "City"), a municipal corporation, body politic, unit of local government and political subdivision of the State of Illinois and **Hilton Management LLC** ("Manager"), a Delaware limited liability company (collectively, the "Parties" and each individually, a "Party"). It takes effect as of _____ ("Effective Date").

RECITALS

Owner currently owns the only existing hotel ("Existing Hotel" or the "Hotel") located at the O'Hare International Airport ("ORD" or the "Airport") located in the City of Chicago, Illinois, the location of which is more particularly described on **Exhibit A** hereto and referred to herein as the "Site".

As of the Effective Date, Owner has good and marketable fee title in and to the Site and the Hotel. Subject to the terms and conditions of Section 16.2, Owner shall maintain throughout the term full ownership in such interest and to the Hotel and good title to the Furnishings and Equipment.

Owner will cause the Existing Hotel to be renovated to be a first-class "Upper Upscale" (as defined by Smith Travel Research ("STR")) to be operated subject to this Agreement by Manager as a "Hilton" brand hotel. The Existing Hotel currently offers 860 rooms and approximately 44,000 square feet of hotel dedicated conference space, first-class hotel amenities such as food and beverage facilities, health and recreational facilities, and certain existing FF&E (as defined below).

On April 19, 2017, Owner issued a request for proposals ("RFP") for the management of the Hotel and a new hotel to be constructed at the Airport (the "New Hotel") (collectively the "Hotels"). Manager responded to the RFP with its proposal dated May 23, 2017 ("Manager Proposal"). Owner has evaluated all of the proposals submitted in response to its RFP and has selected the Manager to operate and manage the Hotel pursuant to the terms and conditions set forth herein, to provide technical services in connection with the renovation of the Existing Hotel pursuant to the terms and conditions set forth herein and in the Technical Services Agreement, and to provide pre-opening and certain related services in connection with the Hotel pursuant to the Pre-Opening Services Agreement. This Agreement, the Technical Services Agreement and the Pre-Opening Services Agreement are sometimes referred to herein as the "Hotel Agreements". By action of the City Council of the City on _____, 2018 execution and delivery of the Hotel Agreements was authorized, but not directed.

Owner and Manager now desire to enter into this Agreement respecting the management by Manager of the Hotel, to be renovated and furnished by Owner on the Site under the terms and conditions set forth herein and in the Technical Services Agreement and the Pre-Opening Services Agreement.

Owner and Manager desire that Manager operate the Hotel in a first-class business-like and efficient manner with the primary purpose of maximizing the Hotel's long-term (i)

profitability, (ii) value in a manner consistent with the Brand Standards (as defined herein), and (iii) customer service, subject to the terms of this Agreement.

NOW THEREFORE, the Parties agree as follows:

Section 1. AGENCY; CONSTRUCTION; FURNISHING AND EQUIPPING; OPENING OF HOTEL

1.1 Agency

(a) Owner hereby appoints Manager as its sole and exclusive agent to supervise, direct, control, manage and operate the Hotel (including its facilities and amenities) for the Term, subject to, and in accordance with, the Brand Standards applicable to the Hotel and the terms of this Agreement. Manager hereby accepts said appointment and agrees, subject to this Section 1.1, to exercise the care, skill, judgment and diligence of an experienced first-class Upper Upscale hotel manager and operator in the performance of the duties hereunder for the entire Term in accordance with the Brand Standards and the terms of this Agreement.

(b) The relationship between Owner and Manager shall be that of principal and agent with scope and authority provided and limited by the terms of this Agreement. Nothing in this Agreement shall be deemed or construed to render Owner and Manager partners, joint venturers, landlord/tenant, master-servant or any other relationship. The scope of Manager's authority, and duties as Owner's agent, are solely as set forth in this Agreement, and Owner and Manager both acknowledge and agree that the written terms of this Agreement are intended to define and satisfy any fiduciary or other common law duties that may exist as a result of the relationship between the parties, including, without limitation, all duties of loyalty, good faith, fair dealing or full disclosure that may be deemed to exist under common law principles of agency or otherwise (collectively, the "Implied Fiduciary Duties"). To the extent any Implied Fiduciary Duties are inconsistent with, or would have the effect of modifying, limiting or restricting, the express provisions of this Agreement, the terms of this Agreement shall prevail.

(c) Accordingly, to the extent there is any inconsistency between the common law duties and responsibilities of principals and agents and the provisions of this Agreement, the provisions of this Agreement shall prevail, it being the intention of the Parties that (i) this Agreement shall be interpreted in accordance with general principles of contract interpretation without regard to the common law principles of agency (except as expressly provided for in this Agreement), (ii) any liability between the Parties shall be based solely on principles of contract law and the express provisions of this Agreement, (iii) the ability of either Party to develop other hotels or to terminate this Agreement shall be based solely on the terms of this Agreement without regard to the common law principles of agency, and (iv) this Section 1.1 constitutes a knowing and intentional waiver by

Owner of any duties or responsibilities (including common law fiduciary duties) owed by an agent to its principal, and a waiver by Manager of any obligations of a principal to its agent, solely to the extent the same are inconsistent with, or would have the effect of modifying, limiting or restricting, the express provisions of this Agreement.

(d) The Parties also hereby unconditionally and irrevocably waive and release any right, power or privilege either may have to claim or receive from the other Party any punitive, exemplary, statutory, or treble damages or any incidental or consequential damages with respect to any breach of the Implied Fiduciary Duties. Furthermore, Owner specifically consents to all transactions and conduct by Manager and its Affiliates described in this Agreement, including those set out below, and waives any Implied Fiduciary Duties which Manager may owe to Owner now, or which may arise in the future, in connection with such transactions or conduct. Without limitation of the foregoing:

(i) Except as provided in Section 28, Manager and its Affiliates may establish or engage in any business of any kind or participate in any investment of any kind, whether using any of the Protected Name or Protected Marks or any of the other proprietary information of Manager, at any location, in Manager's sole discretion. Furthermore, Manager and its Affiliates may exercise such rights even though these businesses or investments may directly or indirectly compete with the Hotel, with Owner or its Affiliates, or with any other business or investment of Owner or its Affiliates.

(ii) Subject to Section 4.2 and Section 8.2.6, Manager may elect to use the services of its Affiliates in fulfilling its obligations under this Agreement, as specifically described in this Agreement.

(iii) Subject to Section 4.2 and Section 8.2, Manager and its Affiliates may receive the fees, charges and reimbursements specifically described in this Agreement in connection with the provision of its management services and its Services to the Hotel and for other properties operated, managed, licensed or owned by Manager or its Affiliates.

(iv) Subject to the provisions of Section 8.2.5, Manager and its Affiliates may receive the payments, fees, commissions and reimbursements from vendors in connection with Manager's purchasing services described in this Agreement for the Hotel and for other properties operated, managed, licensed or owned by Manager or its Affiliates.

(v) Manager and its Affiliates may use the Hotel Guest Data (as hereinafter defined) in any lawful manner; however, Owner's use of the Hotel Guest Data is restricted during and after the Term as described in this Agreement.

(vi) Subject to Section 4.8, Manager is permitted to use the funds in the Hotel Accounts for the purposes described in this Agreement (including payment to Manager or its Affiliates of all fees, charges and reimbursements described in this Agreement) which may be made in the order of priority determined by Manager in its sole discretion.

(vii) Subject to Section 4.3, 4.4(g), and 7.2, Manager is permitted to institute, prosecute and settle the legal actions or proceedings described in this Agreement, in its name or in the name of the Owner, as described in this Agreement.

(viii) Subject to Section 4.3, Manager has the right to determine all Hotel Employee policies, including transferring Hotel Employees to other properties owned, operated or licensed by Manager from time to time.

(ix) Subject to Section 4.4(a), Manager has the authority to negotiate and make agreement with any labor unions and enter into or amend or modify in any material respect any collective bargaining agreements with labor unions in connection with the Hotel, as described in this Agreement.

(e) Owner acknowledges and agrees that its consent to the transactions and conduct by Manager described in this Agreement, including those specifically set out in Section 1.1(d), and its waiver of any Implied Fiduciary Duties otherwise owed by Manager: (i) has been obtained by Manager in good faith; (ii) is made knowingly by Owner based on its adequate informed judgment as a sophisticated party after seeking the advice of competent and informed counsel; and (iii) arises from Owner's knowledge and understanding, both based on advice of competent and informed counsel of the specific transactions and actions or inactions of operators that are normal, customary and reasonably expected in the hotel industry generally, and it also arises from those specific transactions and actions or inactions of Manager that are normal, customary and reasonably expected by Owner under this Agreement.

Manager Initials	Owner Initials

1.2 Hotel

The Existing Hotel will consist of: (a) a first-class Upper Upscale hotel to be renovated by the Owner in accordance with the Technical Services Agreement and containing, as of the date hereof, 860 guest rooms and approximately 44,000 square feet of conference space, and (b) usual first-class Upper Upscale Hotel amenities such as food and beverage facilities, health and recreational facilities (collectively, the "Improvements").

Manager shall coordinate the onsite parking services with any third party parking management company that has entered into a contract with Owner for Airport parking. Owner shall use commercially reasonable efforts to provide the Hotel with adequate parking to meet the on-going operational needs of the Hotel from the additional parking resources at the Airport under Owner or its agent's control. If the operation of the Hotel's dedicated parking by a third party management company, or the operation or use of the additional Airport parking resources, adversely impacts the Hotel's operations or guest satisfaction on a recurring basis, Owner will work with Manager and the third party management company in good faith to promptly address and correct such operational and guest satisfaction issues.

1.3 Furnishings and Equipment; Operating Equipment

Subject to that certain Technical Services Agreement dated as of the date hereof between Owner and Manager (the "Technical Services Agreement"), the Pre-Opening and Related Services Agreement dated as of the date hereof between Owner and Manager (the "Pre-Opening Services Agreement") and subject to Owner's approval rights and the other limitations set forth herein, Owner shall, during the Term, purchase or, subject to Section 3.4.1(g), lease and install in or about the Hotel all of the following to the extent reasonably necessary to meet the Brand Standards: (a) furniture and furnishings; (b) hotel equipment (including computer systems, telephone systems, televisions, public address and audio-visual systems, office equipment and property management equipment as reasonably necessary); (c) uniforms, tools, and utensils; (d) china, glassware, linens, silverware and the like; (e) self-service kiosks; and (f) digital flight information displays. All of the foregoing items shall be referred to as "Furnishings and Equipment." The items referred to under (a), (b), (e) and (f) shall be collectively referred to as "FF&E." and the items referred to under (c) and (d) shall be collectively referred to as "Operating Equipment"). All of the FF&E is, and at all times will remain, the property of Owner and will be acquired in Owner's name.

1.4 "Hotel" and "Brand Standards" Defined

The Site, the Improvements and the FF&E purchased for the Hotel are herein collectively referred to as the "Hotel."

1.4.1 Physical Standards

With respect to the physical standards of the Hotel, the "Brand Standards" refers to the standard of construction, furnishing and equipping, which is (a) not lower than the standard of construction, furnishing and equipping of first-class Upper Upscale full service hotels in downtown Chicago, Illinois, (b) consistent with a hotel commonly recognized in the hotel industry as a "first-class" "Upper Upscale" full service hotel (as defined by STR, Inc.) with a comparable location, and (c) substantially equivalent to the Brand Hotels.

1.4.2 Operational Standards

With respect to the operational standards of the Hotel, the "Brand Standards" refers, at any given time, to the standard of operation which is (a) not lower than the standards of service and operations provided at the other Brand Hotels, and (b) consistent with a hotel commonly recognized in the hotel industry as a "first-class" Upper Upscale full service hotel with a

comparable location. The Brand Standards include, without limitation, operation of the Hotel (although not necessarily all of the facilities contained therein) on a seven day a week, twenty-four hour a day basis, with sufficient staffing to provide first-class staffing, and food, beverage, housekeeping, banquet, concierge, bellmen and porter services, provided that such standard of operation shall never, without Owner's consent, be lower than the standard of operation existing at the date hereof with respect to the hotels operated by Manager under the Brand Name, and is subject, however, to the unique physical attributes of the Hotel. The Brand Standards for the Hotel issued by Manager or its Affiliates have been provided to the Owner's outside counsel and, promptly, consistently with Manager's then-current practices, upon any change to the Brand Standards, a summary of such changes will be provided to Owner's designee in accordance with Manager's or its Affiliates' then standard procedures for communicating Brand Standards changes to owners. Owner agrees to designate its outside counsel to receive any changes to Brand Standards. With respect to the operational standards of the Hotel, the required "Brand Standards" shall not change for the initial two (2) years of the Term without the prior written approval of Owner, which may be granted or withheld in Owner's sole discretion, and during the remainder of the initial Term, no proposed change in the Brand Standards that constitutes a material change from the current standards of service and operations provided at the other Brand Hotels shall be undertaken at the Hotel without the prior written approval of Owner; provided, however, that Owner consent is not required to modify Brand Standards or undertake changes in Brand Standards relating to fire, health, life or safety and/or security or compliance with Laws ("Critical Brand Standards Changes"). Any change in Brand Standards, other than Critical Brand Standards Changes, that results in an increase in the Annual Budget or Capital Budget by more than three percent (3%) in a given year shall constitute a material change. In the event that Owner and Manager mutually agree to change the reference trade name from the Brand Name to an alternate Manager trade name, the foregoing standards will be amended to be the equivalent of the standards then in existence for the alternate Manager trade name. "Brand Name" shall mean "Hilton" as that name is used to identify the chain of hotels operated under the written specifications, standards and requirements issued by Manager or its Affiliates for hotels operating under the Brand Name. The Brand Name does not mean Hilton Worldwide Holdings Inc., its Affiliates, or chains of hotels that include the word "Hilton" within their brand names (such as "Hilton Garden Inn", "Doubletree by Hilton" or "Homewood Suites by Hilton").

1.4.3 Brand Standards

Subject to the limitations set forth in this Agreement and any subsequent modifications or waivers, Owner shall maintain the Hotel in conformance with the applicable Brand Standards and Manager's sole and exclusive remedy in the event Owner fails to satisfy this requirement shall be to terminate this Agreement in accordance with Section 3.5. For the initial renovation of the Hotel, the physical Brand Standards shall mean the "Brand Standards" under the Technical Services Agreement (as defined in the Technical Services Agreement). During the period commencing on the Opening Date of the Existing Hotel and ending on the date that the initial renovation of the Existing Hotel is completed, the Parties acknowledge and agree that the Hotel will be maintained and operated in accordance with Brand Standards to the extent practicable given the ongoing renovation. Manager may request improvements to the Hotel including items that are substantially equivalent to other Brand Hotels that have been implemented or are in the process of being implemented at other Brand Hotels during the Term, provided, however, that except as permitted pursuant to Section 1.5.2(c), Manager shall not have the right to require

Owner without its consent, which may be withheld in its sole and absolute discretion, to increase the percentage of Gross Receipts required to be deposited in the FF&E Account or to make additional Capital Expenditures to implement a new or changed standard as compared to the standards for the initial renovation of the Hotel described in the Technical Services Agreement during the initial Term and Owner's failure to grant any such consent shall not be considered or result in a failure to comply with the Brand Standards by either Party under this Agreement.

1.4.4 Brand Hotels

"Brand Hotels" shall mean all hotels and resorts in the United States that are operated by Manager or its Affiliates under the "Hilton" name. No Hotel shall be deemed a Brand Hotel solely by virtue of the fact that (a) it has the name "Hilton" (or any other trade name of Manager) as part of its name or it refers to its affiliation with Manager or its Affiliates, such as a "Hilton – affiliated Hotel", "a member of the Hilton group of Hotels", "one of the family of Hilton Hotels", "by Hilton" or similar such references, or (b) it participates in the central reservations system or other Chain Services offered by Manager or its Affiliates.

1.4.5 Brand Loyalty Program

The Hotel shall participate in any brand loyalty program offered by Manager or its Affiliates. The cost of such loyalty program is a Direct Deduction and shall be fairly and reasonably allocated in accordance with Section 8.2.4(a).

1.5 Budgets

1.5.1 Annual Budget

(a) On or before (90) days prior to the Opening Date and not later than sixty (60) days before the start of each twelve month fiscal period for accounting purposes, which shall be the calendar year ("Fiscal Year"), during the Term, Manager will prepare and submit to Owner a separate preliminary three (3) year budget for operating revenues, expenses and a monthly cash flow analysis for the ensuing three (3) Fiscal Years for the Hotel. On or before sixty (60) days prior to the Opening Date and not later than 60 days before the start of each Fiscal Year, Manager will prepare and submit to Owner (i) Manager's separate detailed budget (on a month by month basis) for operating revenues and expenses (including, without limitation, the Chain Services Fee) for the Hotel for the ensuing Fiscal Year, (ii) a detailed separate budget of FF&E Expenditures and all other Capital Expenditures for the Hotel that are to be paid from amounts available in the FF&E Account in such ensuing Fiscal Year (the "Capital Budget"), and the Capital Plan for the Hotel described in Section 1.5.2 consistent with the Capital Budget for the Hotel, (iii) a summary of the Hotel's marketing plan for the ensuing Fiscal Year, (iv) an annual cash flow analysis for the Hotel which itemizes cash flow estimates on a monthly basis, and (v) an estimate of complimentary rooms for the Hotel (collectively, the "Annual Budgets"), which shall be prepared in accordance with Manager's standard internal planning and budgeting processes. Notwithstanding the foregoing, Owner acknowledges and

agrees that the budget for the second and third Fiscal Years in any such three-year period will be in a summary, pro forma format that will not contain a month by month budget or cash flow estimates on a monthly basis. Owner will have thirty (30) days after receipt to review, suggest revisions to, and approve the detailed Annual Budgets. Manager will make its representative reasonably available to discuss the Annual Budgets, consider proposed revisions thereto, and answer Owner's questions. Subject to the terms of this Agreement, Manager shall diligently and consistently, using commercially reasonable efforts, minimize, on a current and long-term basis, operating expenses of the Hotel, reasonably consistent, however, with the Brand Standards, as well as maximize revenues through each of the income producing channels at the Hotel.

(b) Except as otherwise expressly provided herein, Owner shall have specific approval rights over all Annual Budgets, both in the aggregate and on a line item by line item basis. Such approval will be deemed granted upon Owner's approval of the Annual Budget for the Hotel as set forth in Section 1.5.1(a) and this Section 1.5.1(b). Owner will act in a commercially reasonable manner, consistent with the Brand Standards in connection with granting or withholding its approval. Furthermore, Owner will advise Manager of its reasons for the disapproval of any Annual Budget or any budget line item. In the event of Owner's failure to act in a commercially reasonable manner in its approval of any Annual Budget or budget line item, as required in this Section 1.5.1(b), Manager's remedy for such failure will be limited to Section 1.5.1(c), Section 1.5.1(d), Section 3.4.1(c) and Section 32.1. It is understood and agreed, however, that Owner shall not have line item approval rights with respect to the (i) expenditures expressly or specifically required by this Agreement, including the Chain Services Fee and the Direct Deductions, (ii) existing arm's length third party vendor contracts presently in effect which require Manager to use a vendor's services or products generally at hotels using the Brand Name, and (iii) Employee Costs, to the extent such Employee Costs (A) pertain to the compensation and/or benefits of any particular individual, (B) are necessary to comply with the Brand Standards, (C) are consistent with the salary guidelines for other Brand Hotels, (D) are associated with Manager's standard practices for Brand Hotels, or (E) are necessary to comply with the terms of applicable collective bargaining agreements existing as of the Effective Date or entered into in accordance with Section 4.4(a). In determining Employee Costs, Manager shall consider in good faith the location of the Hotel as well as the market in which the Hotel is located, but shall have final authority over the Employee Costs identified in clause (iii) of the preceding sentence. Manager covenants to inform Owner of any deletions from or additions to the Chain Services or the Direct Deductions Services in accordance with Section 8.2.4(a). In addition Owner shall not have approval rights with respect to, (i) increases in costs and expenses due primarily to increases in projected Gross Receipts or occupancy, (ii) increases in costs and expenses that are beyond the control of Manager due to third party increases in costs, (iii) expenditures necessary to prevent a threat to life, health, or safety of persons or damage to the Hotel, (iv) expenditures necessary to comply with, or to cure or prevent any violation of,

Legal Requirements or Laws, or (v) specific room rates charged by Manager; provided, however, that as part of the annual budgeting process, Manager shall propose a range of room rates within which all room rates shall be established and a methodology for establishing the rates, each of which shall be subject to approval by the Owner. Promptly after the submission of the Annual Budgets to Owner, Manager and Owner shall meet (at a mutually convenient time and place) to discuss the Annual Budgets.

(c) In the event that Manager shall have delivered the Annual Budgets as required in Section 1.5.1(a) and failed to receive Owner's approval so that, on commencement of the Fiscal Year to which a particular Annual Budget applies, no final Owner-approved Annual Budget is in place, for all purposes under this Agreement, Manager covenants, until such approval shall have been obtained or pending resolution of any dispute regarding the Annual Budget, to operate the Hotel in accordance with the most recent Owner-approved annual update of the Operating Expense budget portion of the Annual Budget for the prior Fiscal Year (subject to expenditures required under existing contractual agreements properly entered into in a prior period, variations in actual utility charges, expenditures for Services (as defined in Section 8.2.4), the provisions of collective bargaining agreements then in effect and other expenditures for Employee Costs, similar matters beyond the reasonable control of Manager and any other matters for which Owner does not have approval rights pursuant to Section 1.5.1(b)), as adjusted by a percentage equal to the percentage, if any, by which the CPI has increased over the course of the Fiscal Year just ended. "CPI" shall mean the Consumer Price Index for United States City Averages for all Urban Consumers, All Items, published from time to time by the United States Bureau of Labor Statistics (1982-84 = 100). If the CPI is discontinued or is unavailable or is substantially revised, a comparable index agreeable to Owner and Manager reflecting the changes in the cost of living or purchasing power of the consumer dollar published by any governmental agency or recognized authority shall be used in place thereof. Unless otherwise provided, any CPI adjustment shall reflect CPI changes from the end of the CPI reporting period next preceding the Opening Date to the end of the CPI reporting period next preceding the effective date of any such adjustment.

Manager and Owner agree to take into consideration the views and suggestions of the other regarding the Annual Budgets and agree to attempt, in good faith, to reach mutually satisfactory agreements and thereupon Manager will promptly incorporate any such agreements into the Annual Budgets. Either Party may submit an unresolved dispute over any Annual Budget line items to an Expert pursuant to Sections 32.1 and 3.4.1(c) at any time after thirty (30) days after delivery of the Annual Budgets.

(d) Owner acknowledges that the Annual Budgets constitute materials prepared by Manager for management purposes and that Manager shall have no liability (except as otherwise specifically set forth in Section 3.4.2(d) of this Agreement with respect to the Performance Test) to Owner or any third party if actual

operating results and capital requirements vary to any extent therefrom, provided, however, that Manager will advise Owner, as far in advance as is reasonably possible, of any budget amounts and line items that Manager anticipates will be insufficient to sustain the operation of the Hotel at the then-current level of service and operation for the balance of the Fiscal Year.

Manager acknowledges that its primary obligation under this Agreement is to maximize the long term (i) profitability and (ii) value of the Hotel in a first class manner consistent with the Brand Standards, subject to the terms of this Agreement.

If Owner specifically disapproves any portion of an Annual Budget, such that on commencement of the Fiscal Year to which the Annual Budget applies, no final Owner-approved Annual Budget applies, Manager covenants, pending resolution of any dispute regarding the Annual Budget, to operate the Hotel in accordance with (i) the provisions of Section 1.5.1(c), and (ii) those portions of the Annual Budget that Owner has approved.

(e) Manager shall, consistent with the provisions of this Agreement, including provisions relating to the Brand Standards, operate the Hotel in accordance with operating policies consistent with the Annual Budget.

1.5.2 Capital Plan and Capital Expenditures

(a) On or before sixty (60) days prior to the Opening Date and thereafter when the Annual Budgets are delivered, Manager shall provide to Owner a capital plan for the Hotel setting forth (i) a 5-year forecast of FF&E Expenditures and other Capital Expenditure needs for the Hotel, (ii) a 5-year forecast of estimated available funds in the FF&E Account, and (iii) associated costs and funding plans for the upcoming Fiscal Year for the Hotel, consistent with the amounts requested in the Capital Budget for the Hotel for such Fiscal Year pursuant to Section 1.5.1(a) (the "Capital Plan"). The Capital Plan shall be subject to review and approval by Owner in the same manner as the budget approval process set forth in Section 1.5.1.

(b) The FF&E Account shall be used for the purpose of funding FF&E Expenditures and Capital Expenditures included in the Capital Budget or otherwise clearly and expressly authorized by this Agreement or pre-approved by Owner in writing and Owner's obligation to provide funds for FF&E Expenditures and other Capital Expenditures shall be limited to the funds in the FF&E Account, subject to Section 1.5.2(c) and Manager's right to terminate this Agreement pursuant to Section 3.5.

(c) Manager shall have no right to incur any FF&E Expenditures or other Capital Expenditures except pursuant to and in accordance with the Annual Budget that has been expressly approved by Owner in accordance with Section 1.5.1 (or approved pursuant to the dispute resolution process set forth in Sections 32.1 and

3.4.1(c)) unless Manager receives prior written consent from Owner; provided, that (i) Manager may, without prior Owner consent, (A) expend amounts for FF&E or other Capital Expenditures in excess of the approved Capital Budget in an aggregate amount not to exceed $50,000 in each Fiscal Year so long as sufficient funds are then available in the FF&E Account or (B) reallocate up to ten percent (10%) of the Capital Budget in any one Fiscal Year to one or more line items in the Capital Budget so long as the remaining dollars in those line items from which such ten percent (10%) is removed are sufficient to complete the work contemplated by those line items and (ii) Manager shall have the right, whether or not an Annual Budget shall have been approved and whether or not an approved Annual Budget shall contemplate the same, and, subject to Section 27, whether or not sufficient funds are then available in the Hotel Accounts, to make expenditures including Capital Expenditures, which it reasonably deems necessary to (A) minimize personal injury and property damage in cases of casualty or other emergency, or (B) satisfy a Legal Requirement for which the governing authority requires action before the next budget approval process and for which the failure to satisfy such Legal Requirement would (1) cause a material adverse effect on Manager's ability to maintain the immediate safety of the respective Hotel or (2) create civil or criminal liability. In the event of an expenditure under item (ii) in the preceding sentence, Manager shall notify Owner of such actions and expenditures within five (5) Business days of such expenditure. Owner shall promptly reimburse Manager or the Hotel Accounts (including without limitation the Operating Reserve and the FF&E Account), as applicable, from funds generated by the operation of the Hotel. Subject to Owner's obligations in Section 4.8.5(b)(ii), in no event shall Owner be required to make funds available from any other sources.

(d) Owner shall have the right, from time to time, to request decreases to any or all line item amounts in, the annual Capital Budget if such line item amounts remain undisbursed and are not required to pay, when due, amounts owing under executed contracts or purchase orders for FF&E or other Capital Expenditures. Manager will reasonably consider any such Owner request and shall discuss, from time to time, any such requested revisions to the Capital Budget; provided that any revisions to such budget must be mutually approved by Manager and Owner.

(e) For purposes hereof, the term "Capital Expenditures" shall mean expenditures for any alterations, additions or improvements in or to the Improvements (excluding ordinary repair and maintenance expenditures) and any replacements of and additions to FF&E to the extent such expenditure, according to the Uniform System, is not properly deducted as a current expense on the books of the applicable Hotel, but rather should be capitalized.

1.6 Sustainability

Manager shall use good faith efforts, subject to the other terms of this Agreement, to comply with Owner's Sustainable Airport Manual, as in effect from time to time, and all of Owner's other sustainability plans and programs in effect as of the date hereof or established

hereafter, including such plans or programs related to any LEED certifications obtained for renovation or renewals related thereto for the Hotel. The Sustainable Airport Manual as in effect from time to time is available as of the Effective Date at http://www.airportsgoinggreen.org/sustainable-airport-manual.aspx. Manager shall use good faith efforts to comply with Owner's recycling program and to review such recycling program and recommend to Owner suitable revisions or amendments to such program. If Manager reasonably demonstrates that (i) the costs of Manager's compliance with Owner's sustainability plans and programs and/or recycling programs that are not required by a Legal Requirement exceed the costs of Manager's compliance with its sustainability plans and programs and/or recycling programs that are not required by a Legal Requirement (such excess is referred to as the "Excess Sustainability Costs"), and (ii) the Excess Sustainability Costs affected Manager's ability to meet the Performance GOP Test, then the Excess Sustainability Costs shall not be included in the calculation of Hotel GOP for purposes of the Performance GOP Test. Any dispute over this Section 1.6 shall be resolved by referral to an Expert in accordance with the provisions of Section 3.4.1(c). Owner shall provide copies to Manager of all such sustainability plans or programs to the extent not included in the Sustainable Airport Manual.

1.7 Clustered Operations

Owner plans to develop the New Hotel located at the Airport near to the Hotel. Owner and Conrad Management LLC, an Affiliate of Manager (the "Possible New Hotel Manager"), are negotiating a management agreement, pursuant to which Owner may engage the Possible New Hotel Manager to operate the New Hotel pursuant to the terms thereof (the "Possible New Hotel Management Agreement"). Owner and Manager acknowledge and agree that, for so long as the Existing Hotel and the New Hotel are both owned by the City and operated by Manager or its Affiliate, there are certain economic and operational efficiencies that may be achieved by clustering certain components of the operation of the Existing Hotel and New Hotel. Accordingly, in the event that Owner and Manager enter into the Possible New Hotel Management Agreement, Owner and Manager shall mutually agree upon a clustering plan for the clustering of certain operations between the Existing Hotel and the New Hotel. In such event, the costs and expenses of such clustered operations shall be allocated between the New Hotel and the Existing Hotel on a fair, equitable and consistent basis, as mutually determined by Owner and Manager, in their reasonable discretion. The Hotel's portion of such expenses shall be deemed to be Operating Expenses. Upon the request of Owner at any time, Manager shall discontinue such clustered operations; it being acknowledged and agreed, however, that Manager may not be able to immediately discontinue such clustered operations, and that Manager shall have a reasonable amount of time to make any alternative arrangements necessary in light of the discontinuation of any such clustered operations.

Section 2. CONTRACTS RELATED TO THE HOTEL

2.1 Manager's Authority.

Among the services to be provided by Manager to Owner under this Agreement are the negotiation, execution and delivery on behalf of Owner, as Owner's agent, as provided in this Agreement, of agreements necessary or desirable for the operation of the Hotel, subject to the provisions of this Agreement, including without limitation those referenced in Subsections 4.5(i)

through (l). Except as otherwise specifically limited under this Agreement, approved budget and line item limitations, the affirmative action and equal employment opportunity requirements set forth in Section 15.1 and **Exhibit E**, the required City contracting guidelines set forth in **Exhibit F**, and Owner's right to approve certain contracts, Manager, as sole and exclusive agent of Owner, as described in Section 1.1, shall have the right and power to negotiate and enter into such commercially reasonable contracts (including, without limitation, collective bargaining agreements or labor contracts, subject to and without limiting Section 4.4 hereof) in the name of Owner (to be paid from Hotel revenues as provided herein) as may be reasonably necessary or advisable in connection with the operation of the Hotel.

Except as expressly provided in this Agreement, Manager shall not be required to undertake or comply with City of Chicago procurement requirements with respect to contracts entered into in compliance with this Section 2 or otherwise in compliance with this Agreement. The foregoing is not intended to limit Manager's obligations pursuant to Section 15.1 and Section 15.5 to include certain specific contract provisions in certain contracts entered into by Manager on behalf of Owner to the extent required by such Sections.

2.2 Provisions Applicable to All Contracts.

Unless otherwise specified in this Agreement and subject to Section 30, Manager shall not enter into any contract (or series of related contracts) as Owner's agent with respect to the Hotel having (i) anticipated aggregate annual expenditures of more than $100,000, or (ii) a term of greater than one year and not terminable at will without penalty on thirty days' notice or less, without the prior written consent of Owner, unless such contract complies with the Contracting Guidelines set forth on **Exhibit F** attached hereto and made a part hereof. In each other such contract (other than contracts, agreements and arrangements of the type described in paragraph 9 of **Exhibit F**), Manager will use commercially reasonable efforts to include termination provisions that are typical in Manager's reasonable judgment for the type of contract at issue. Furthermore, Manager shall not enter into any construction contract as agent for Owner with respect to the Hotel with anticipated expenditures in excess of $100,000 without first obtaining Owner's prior written consent.

Subject to the terms of this Agreement, Manager will use commercially reasonable efforts to make all purchases for the best commercial terms available. Manager shall substantially comply with its standard practices and policies employed by Manager in operating other Brand Hotels (which may include competitive bidding) in the selection of vendors under contracts for goods and services. Manager shall select vendors based on Manager's reasonable judgment of which vendors provide the best combination of cost, quality of goods and services and terms of delivery and purchase. In addition, as part of the process of approval of the Annual Budget, the Owner may instruct Manager to cause some or all of the contracts to be executed in the following year providing for annual payments in any one year in excess of $100,000 (including contracts for consumable supplies) to be competitively bid by a minimum of three different reputable vendors (if available) known to Manager to provide high quality service at competitive prices (at least one of whom may not be a Manager Affiliate and may be designated by the Owner, at the Owner's election). The dollar amount specified in this Section 2.2 may be increased at the sole discretion of the Owner on or after the commencement of the second Fiscal Year.

Manager shall use commercially reasonable efforts to include in all contracts (other than contracts, agreements and arrangements of the type described in paragraph 9 of **Exhibit F**), to the extent not already in Owner's name, a provision stating or having the effect that such contracts are fully assignable without restriction to the Owner or, at the direction of the Owner, to a successor operator. Once each calendar quarter, Manager shall provide the Owner a list of any such contracts that are not so assignable. Upon the termination of this Agreement for any reason whatsoever, Manager shall promptly take all commercially reasonable actions necessary to assign to the Owner or its designee Manager's interest (if any) in all contracts and agreements described in this Section 2.2 in effect with respect to the Hotel as of the date of termination of this Agreement, subject, however, to Section 25.6; provided that Owner shall promptly reimburse Manager for Manager's reasonable out-of-pocket expenses incurred in connection with such assignment if the termination is not due to an Event of Default by Manager, the Owner shall pay any amounts due to the other party to such contract or agreement directly related to such assignment, and Owner shall confirm in writing its continuing responsibility for all obligations and liabilities relating to any and all such contracts in effect with respect to the Hotel as of the date of termination of this Agreement.

Manager shall use commercially reasonable efforts to include in all contracts with respect to the Hotel entered into by Manager in the name of and as agent for Owner (other than contracts, agreements and arrangements of the kind described in paragraph 9 of **Exhibit F**) a provision to the effect that Owner's liability under such contract shall be limited to the Owner Collateral.

The Owner shall have the right to inspect all contracts and agreements related to the Hotel upon reasonable notice to Manager but without unreasonable interference or interruption to Manager or the operation of any part of the Hotel.

For the avoidance of doubt, and notwithstanding anything to the contrary in this Agreement, this Section 2.2 does not apply to (i) transactions between Manager and a Related Person (which are instead governed by Section 4.2.1), (ii) transactions between Manager and a Manager Affiliate (which are instead governed by Section 4.2.2), (iii) Chain Services (which are instead governed by Section 8.2.1), (iv) Direct Deductions Services (which are instead governed by Section 8.2.2), (v) Centralized Purchasing Services (which are instead governed by Section 8.2.5), (vi) booking, sales and distribution agreements and other similar agreements entered into by Manager in the ordinary course of business, or (vii) collective bargaining agreements, which are governed by Section 4.4(a).

2.3 Service Contracts.

Manager shall, for and on account of Owner, arrange for Owner in the name of the Hotel or in Owner's name, as appropriate: (i) security, vermin extermination, cleaning, trash removal and other reasonably necessary services for the operation of the Hotel; (ii) make purchases, in Owner's name, of all replacements of FF&E reasonably necessary for the proper operation of the Hotel in accordance with the Brand Standards (but only to the extent such purchases of FF&E are otherwise permissible under provisions of this Agreement); (iii) purchase all operating supplies and expendables and other merchandise reasonably necessary for the proper operation of the Hotel in accordance with the Brand Standards (provided that in the event that any change

in Brand Standards requires the use of different types of supplies, expendables or merchandise, the existing supplies shall be expended in the ordinary course of business); (iv) make purchases in the name of Owner or the name of the Hotel, as appropriate, of all food and beverages reasonably necessary for the proper operation of the Hotel; and (v) receive all such items and employ and consume them in the maintenance and operation of the Hotel.

2.4 Owner's Consent.

Contracts submitted for Owner's consent shall be approved, disapproved or deemed disapproved in the following manner (other than contracts submitted for approval pursuant to pursuant to Section 2.5, for which the approval process is set forth in Section 2.5). Manager shall submit a written request for approval to Owner with a copy of the proposed contract or agreement attached. Owner shall approve or disapprove of the contract within ten (10) Business days of receipt of Manager's submission (unless Owner and Manager mutually agree to extend that time period) by sending Manager a written notice of approval or disapproval. If Owner fails to approve or disapprove of the contract within the first ten (10) Business days (or mutually agreed extended period of time), the contract shall be deemed disapproved by Owner; provided, Manager shall be permitted to re-submit a contract to Owner if Owner failed to respond to Manager's written notice.

2.5 Owner's Approval of Contracts Following Issuance of Bonds.

In the event that Owner elects to finance the Hotel through proceeds of Bonds as contemplated in Section 31.13 of this Agreement, Owner and Manager shall reasonably cooperate with each other and Owner's Bond Counsel to mutually determine the procedures whereby Manager will thereafter be required to submit certain contracts with third parties involving the management, operation or use of, or services with respect to, any portion of the Hotel to Owner for review and approval to ascertain whether such contracts could adversely affect the exemption from federal income tax of interest on the Bonds (which procedures shall also specify contracts, agreements and arrangements that need not be submitted for approval by Owner). Owner shall give Manager at least ninety (90) days' notice of such anticipated Bond financing. The Parties anticipate incorporating the following into such procedures, provided that the below shall not take effect until the Parties have mutually agreed in writing upon such procedures:

(a) Manager will not enter into any contracts with third parties (including its Affiliates) involving the management, operation or use of, or services with respect to, any portion of the Hotel (to the extent otherwise permitted under this Agreement) without first submitting such contracts to Owner c/o CDA Finance (with a courtesy copy to Owner's Bond Counsel and Owner's Tax Counsel) for review and approval (fees and expenses charged by Owner's Bond Counsel and Owner's Tax Counsel shall be an Operating Expense) to ascertain whether such contracts could adversely affect the exemption from federal income tax of interest on the Bonds in accordance with the procedure set forth in Section 2.5(b), but subject to Section 2.5(d). "Owner's Bond Counsel" shall mean such counsel identified to Manager in writing by the Owner from time to time and "Owner's Tax Counsel" shall mean such counsel identified to Manager in writing by the Owner from time to time.

(b) Upon submission by the Manager in accordance with the provision of Section 2.5(a), Owner shall use commercially reasonable efforts to obtain such determination within ten (10) days of such submission; provided, for all contracts other than booking and other similar agreements (including, without limitation, group sales contracts, catering contracts, and similar agreements), if Owner fails to obtain such determination within ten (10) days of such submission, Manager may send a notice to Owner c/o CDA Finance (with a courtesy copy to Owner's Bond Counsel) reminding Owner that such determination is pending and informing Owner that if Owner fails to respond in writing with respect to such determination within five (5) days from receipt of such notice, Manager shall be permitted to enter into the contract in question.

(c) If Owner fails to respond in writing with respect to such determination: (A) within ten (10) days with respect to booking and other similar agreements (including, without limitation, group sales contracts, catering contracts, and similar agreements), or (B) within five (5) days from receipt of Manager's notice sent in accordance with Section 2.5(b), Manager shall be permitted to enter into such contract, and in no event will Manager be deemed to have caused a QMA Failure, or have committed or be committing a Continuing Compliance Failure.

(d) Notwithstanding the foregoing provisions of this Section 2.5, contracts, agreements or arrangements with third parties providing for the following types of use or services need not be submitted for review and approval by Owner under this Section 2.5:

(i) Contracts to be mutually agreed upon by Manager and Owner (in consultation with Owner's Bond Counsel or Tax Counsel), which list of contracts shall be mutually agreed upon in advance of the effectiveness of this Section 2.5;

(ii) Contracts permitted under guidance provided to Manager from time to time by Owner's Bond Counsel or Tax Counsel;

(iii) For all contracts for use not otherwise contemplated in Section 2.5(d), any contracts, arrangements, or agreements for use for a period not greater than fifty (50) days in any Fiscal Year (including renewal options) if the arrangement is a negotiated arms-length arrangement and compensation is at fair market value.

Upon the effectiveness of Section 2.5, any inadvertent and immaterial lack of compliance with the provisions of Section 2.5 will not constitute a Manager Event of Default, provided that (x) such lack of compliance is susceptible to cure and is cured within thirty (30) days after written notice from Owner thereof, or such longer period as may be necessary not to exceed one hundred twenty (120) days, and (y) Manager pays any amount that may be required or assessed by the Internal Revenue Service ("IRS") as a condition of settlement of such lack of compliance as well as all reasonable out of pocket legal fees and costs associated with such settlement.

2.6 Limits on Owner Indemnity.

Manager shall not, without the prior written consent of Owner, enter into any contract or other arrangement (or series of related contracts or arrangements) which contain any indemnification which purports to be made by or to bind the Owner or the Hotel (or which is made by or purports to be binding upon Manager when acting on behalf of or in the name of the Owner or the Hotel) (an "Owner Indemnification Provision") where the cost to Owner of such indemnity obligation would exceed the aggregate expenditures to be made under such contract and which liability is not covered by insurance maintained or required to be maintained by Owner (or by Manager on behalf of Owner) or with respect to the Hotel. Manager's failure to comply with the foregoing shall not be deemed an Event of Default hereunder, but shall entitle Owner to indemnification under Section 10(a)(i) for any costs arising from such an Owner Indemnification Provision in excess of the aggregate expenditures to be made under the applicable contract that are not covered by insurance. This Section 2.6 shall not apply to contracts, agreements, or other arrangements approved in writing by the Owner before execution thereof and shall not apply to the following contracts, agreements, or other arrangements entered into by Manager as agent of the Owner in the ordinary course of business: (i) standard forms of agreements approved in advance by the Owner (which approval may be part of the annual budget process), (ii) provided as part of the Chain Services or Direct Deductions Services, (iii) procured through Manager's Centralized Purchasing Services, (iv) on forms provided "system wide" to the Hotel and any of the other Brand Hotels, (v) booking, sales and distribution and other similar agreements entered into by Manager in the normal course of business, or (vi) insurance policies required to be provided by Manager hereunder (such contracts, the "Excluded Contracts"). Once each calendar quarter, Manager shall provide Owner with a list of all Excluded Contracts containing an Owner Indemnification Provision including the name of the counterparty and the limit of the indemnity.

2.7 Leases and Concessions.

Manager shall be responsible for operating all space within the Hotel subject to the terms and conditions of this Agreement; provided, however, that Manager shall have no responsibility for operating any space within the Hotel which the Owner and Manager have agreed in writing shall be operated by a third party, other to the extent set forth in Section 4.7 hereof. The operation of any space within the Hotel by a third party, and the terms and conditions of such operation, shall be by mutual agreement and subject to the approval of Manager and Owner in their sole discretion.

Notwithstanding the foregoing, Manager is specifically authorized to consummate leases and concessions (or a series of related leases or concessions with the same or related entities) for the commercial and office space within the Hotel, subject to Owner's approval for leases or concessions, (i) involving anticipated aggregate annual income or revenue of greater than One Hundred Thousand Dollars ($100,000) for the Hotel, and (ii) having a term of more than one year, including all renewals.

Any such lease or concession so approved shall be entered into in Owner's name, shall be executed by Manager as agent for Owner and a counterpart original or copy thereof delivered to both Manager and Owner.

Upon the effectiveness of Manager's obligations under Section 2.5 and the procedures to be determined thereby, Manager will not enter into any such lease or concession without first submitting such lease or concession to Owner c/o CDA Finance (with a courtesy copy to Owner's Bond Counsel and Owner's Tax Counsel) for review to ascertain whether such lease or concession could adversely affect the exemption from federal income tax of interest on the Bonds in accordance with the procedure set forth in Section 2.5(a), but subject to Section 2.5(d) (or other procedures established pursuant to Section 2.5).

2.8 Licenses and Permits.

Subject to the remaining provisions of this Section, Manager shall use commercially reasonable efforts to obtain or cause to be obtained all licenses and permits required for the management and operation of the Hotel, as and when required under the Legal Requirements. Owner shall execute and deliver any and all applications and other documents as reasonably required and shall otherwise cooperate with Manager in applying for, obtaining and maintaining such licenses and permits. With the exception of the license(s) for selling alcoholic beverages and licenses relating to operation or management of the Hotel (which, if legally permissible, shall be held by Manager, its designee(s), or the F&B Operator or its designee(s)), all licenses and permits shall be held by the Owner.

Without in any way limiting the foregoing, Manager shall use commercially reasonable efforts to obtain (or cause to be obtained) the liquor licenses for the Hotel prior to the Opening Date to the extent legally permissible. Owner shall execute and deliver any and all applications and other documents as reasonably required and shall otherwise cooperate with Manager in applying for, obtaining and maintaining such liquor licenses. If legally permissible, the liquor licenses shall be in the name of the Manager, one or more Manager Affiliates or designees, or the F&B Operator or its Affiliate(s) or designee(s). Owner agrees that Manager shall have control over the Hotel as is necessary and appropriate for it or its applicable designees to comply with all applicable requirements of Law with respect to such liquor licenses.

Upon termination or expiration of this Agreement, Manager shall reasonably cooperate upon Owner's request and at Owner's expense with Owner and any new manager of the Hotel to the extent necessary in order to enable the new manager to serve liquor at the Hotel without interruption; provided that the new manager shall be responsible for timely applying for its own temporary liquor licenses, and Manager shall have no responsibility for continuing the Hotel liquor license(s) in effect following expiration or termination of this Agreement, or to permit operation of liquor facilities or service of alcoholic beverages in the Hotel under or pursuant to Manager's or its Affiliates' or its designees' or the F&B Operator's or its Affiliates' or designees' liquor licenses. Upon the expiration or termination of this Agreement, Manager shall surrender (or cause its Affiliates or designees to surrender) to the applicable liquor license authority the liquor licenses for the Hotel that are held in Manager's or its Affiliates' or designees' names.

2.9 Transactions with Affiliates and Related Persons.

Subject to Section 30, Manager may enter into transactions with Manager Affiliates and Related Persons (as defined in Section 8.2.4(c)) as provided in Section 4.2 and Section 8.2.

2.10 F&B Operations Agreement

Manager, as agent for Owner, shall have the right to engage an F&B Operator as provided in and subject to the terms and conditions of Section 4.10 hereof.

Section 3. TERM; TERMINATION

3.1 Effective Date

The Effective Date of this Agreement is the date set forth in the preamble of this Agreement.

3.2 Opening Date

"Opening Date" for the Existing Hotel means January 1, 2019.

3.3 Term

The initial term of this Agreement shall commence on the Opening Date for the Existing Hotel and shall continue thereafter until the later of (i) the date on which the tenth (10^{th}) annual anniversary of the Opening Date for the Existing Hotel occurs, or (ii) in the event the Parties enter into the Possible New Hotel Management Agreement, the initial expiration date of the Possible New Hotel Management Agreement, unless sooner terminated as herein provided ("Initial Term"); provided, however, that in no event shall the Initial Term extend more than sixteen (16) years from the Opening Date. The term for both the Existing Hotel and the New Hotel (if applicable) may be renewed for an additional seven (7) years ("Extension Term") at the sole discretion of the Owner if Manager delivers written notice to the Owner in accordance with this Agreement of Manager's desire to extend the Initial Term for both the Existing Hotel and the New Hotel (if applicable) at least 1 year (and no more than 2 years) prior to the end of the Initial Term. Within ninety (90) days of receipt of such notice, the Owner shall provide written notice to Manager either agreeing to extend the Term for such additional Extension Term or electing not to extend the Term. If the Owner does not provide such notice to Manager within such ninety (90) day period, the Term shall not be extended. The Initial Term, together with the Extension Term, if applicable, shall be the "Term" of this Agreement.

3.4 Termination by Owner

3.4.1 Performance Test – Defined Terms

(a) "Achieved RevPAR" shall mean, for the Fiscal Year in question, the product of (A) the average daily occupancy rate for the Hotel or Competitive Set, as applicable, multiplied by (B) the average daily room rate achieved by the Hotel or Competitive Set, as applicable, for such Fiscal Year. The Achieved RevPAR for the Hotel shall be calculated in the manner prescribed by the Information Source, regardless of how calculated by Manager for Hotel reporting purposes.

(b) "Competitive Set" shall mean the group of full-service hotels that are generally within the same hotel market and market segment (Upper Upscale Hotels) as the

Hotel and containing a minimum of four (4) hotels (not including the Hotel). As of the Effective Date, the Parties agree that the Competitive Set is the Upper Upscale (as defined by STR) hotels located in the local submarket (Rosemont and Chicago O'Hare submarkets).

(i) If any one or more of the Competitive Set (or any one or more of the substitutes therefor which may have been made in accordance with the provisions hereof) shall no longer be comparable to the Hotel, either Owner or Manager shall so notify the other Party and a substitute for the hotel identified as no longer comparable shall be made by agreement of the Parties, each acting reasonably and in good faith. For purposes hereof, a hotel shall no longer be comparable to the Hotel if (A) the hotel in question is no longer in operation, or its operations have been substantially curtailed from its operations as of the date hereof (or as of the date a substitute is added to the Competitive Set) whether by virtue of the occurrence of a Force Majeure Cause or for any other reason; or (B) the quality of the hotel, either physically or operationally, shall have substantially diminished as generally recognized by the traveling public whether as a result of a change of brand or otherwise. If any hotel is determined no longer to be generally comparable to the Hotel, it shall be deleted from the list of the Competitive Set, and a substitute shall be added to the list of the Competitive Set so long as the substitute hotel meets the following criteria: the proposed substitute hotel (x) shall have reported its Achieved RevPAR to the Information Source; and (y) is a hotel generally comparable in facilities and the level of quality, both physically and operationally, to the Hotel. All matters pertaining to whether any of the Competitive Set shall no longer be comparable, and the identification of any hotels to be substituted as herein provided, shall be determined by agreement of the Parties, each acting reasonably and in good faith. Owner and Manager also agree that the set of Competitive Set may be expanded at any time to include a hotel that meets the criteria set forth above upon the mutual agreement of Owner and Manager.

In the event the Parties are unable to agree on one or more of the matters relevant for purposes hereof, either Party shall have the right, by notice to the other Party, to submit any of the matters to Expert resolution and pending the outcome of any such dispute resolution, no change shall be made to the then applicable list of Competitive Set.

(c) "Expert" shall mean an independent, internationally recognized hotel consulting firm or individual who is qualified to resolve the issue in question, and who is appointed in each instance by agreement of the Parties. If the Parties cannot agree on an Expert within ten (10) Business days, each Party shall select an expert and the two selected experts shall mutually agree on the Expert. In any case in which an Expert is appointed, the following guidelines shall apply:

(i) For purposes of this Section 3.4.1 and Section 32.1, and not of other sections of this Agreement, the use of the Expert shall be the exclusive remedy of the Parties with respect to the dispute submitted for Expert determination and neither Party shall attempt to adjudicate such dispute in any other forum. For purposes of this Section 3.4.1 and Section 32.1, the decision of the Expert shall be final and binding on the Parties and shall not be capable of challenge, whether by arbitration, in court or otherwise;

(ii) Each Party shall be entitled to make one written submission to the Expert, and shall provide additional materials or submissions at the request of the Expert, and if a Party makes any submission it shall also provide a copy to the other Party. Each Party shall have the right to comment on the other Party's initial submission. The Parties shall make available to the Expert all books and records relating to the issue in dispute and shall render to the Expert any assistance requested of the Parties. The costs of the Expert and the proceedings shall be borne as directed by the Expert unless otherwise provided for herein;

(iii) The Expert shall make its decision with respect to the matter referred for determination by applying the standards applicable to first-class hotels in accordance with the Brand Standards (including compliance with the requirements of any quality assurance program) and determining whether the matter at issue is necessary to satisfy such standards (except that, in the case of Competitive Set, the criteria shall be as stated in Section 3.4.1(b)(i)); and

(iv) The terms of engagement of the Expert shall include an obligation on the part of the Expert to: (A) notify the Parties in writing of his or her decision within forty-five (45) days from the date on which the Expert has been selected (or such other period as the Parties may agree or as set forth herein); and (B) establish a timetable for the making of submissions and replies.

(d) "GOP Deficiency" shall mean, for the Fiscal Year in question, an amount equal to the amount, if any, by which the Hotel GOP (as defined below) is less than the amount of Hotel GOP required to meet the Performance GOP Test.

(e) "Hotel GOP" shall mean, for each Fiscal Year in question, the excess (if any) of (a) Gross Receipts for such period over (b) Operating Expenses, except that the following shall not be considered Operating Expenses for purposes of calculating Hotel GOP: (i) contributions to the FF&E Account, (ii) the Management Fee, (iii) insurance expenses, (iv) equipment rental expenses to the extent otherwise treated as Operating Expenses under Section 3.4.1(g)(ii), (v) expenses for Owner's indemnification of Manager (otherwise treated as Operating Expenses under Section 11(g)), (vi) asset management fees, and (vii) costs of the audit pursuant to Section 8.4(d). The parties acknowledge that, as of the Effective Date, Owner's property is not subject to real estate and personal property taxes,

and therefore it is anticipated that real estate and personal property taxes will not be payable and therefore will not be Operating Expenses. If, after the Effective Date, the Hotel is subject to any real estate and personal property taxes, Owner will pay such taxes and such taxes will not be included in the calculation of Hotel GOP for purposes of determining compliance with the Performance GOP Test.

(f) "Information Source" shall be STR. In the event STR shall no longer be in existence or is unable or unwilling to provide the required information, and thereafter Owner and Manager cannot agree upon an alternative Information Source within thirty (30) days from the date on which Owner shall request information regarding the Achieved RevPAR for the Competitive Set, then Owner shall select any two (2) of PriceWaterhouse Coopers & Co., KPMG or PKF Consulting, and deliver written notice to Manager of the two firms so selected within forty (40) days after the date on which Owner requested information on the Achieved RevPAR for the Competitive Set, and the Information Source shall then be either of the firms so selected by Owner as shall be designated by Manager in writing to Owner (or, if Manager shall fail to designate one of said firms within ten (10) days after receipt of the aforesaid written notice from Owner, the firm so selected by Owner). If Owner shall fail to deliver written notice to Manager of the two (2) firms so selected within said forty (40) day period, then Manager may select any one of the firms listed above as the Information Source and designate such firm by written notice to Owner. If none of the firms listed above are willing and able to serve as the Information Source, Manager will select an alternative Information Source, subject to Owner's approval. If the Parties fail to agree on such alternative Information Source within a reasonable period of time, the matter will be resolved by the Expert.

(g) "Operating Expenses" shall mean the costs and expenses (of whatsoever nature or kind) of maintaining, operating and supervising the operation of the Hotel as permitted or required by this Agreement and the Uniform System, Management Fees, and those costs that are otherwise reasonably necessary for the proper and efficient operation and maintenance of the Hotel, except that the following shall not be Operating Expenses: (i) debt service payments pursuant to any Financing, including without limitation any Bonds issued to finance the construction or renovation of the Hotel; (ii) payments pursuant to equipment leases or other forms of financing obtained for the Furnishings and Equipment located in or connected with the Hotel unless Owner and Manager have previously consented to such equipment lease and/or financing and the treatment of payments thereunder as Operating Expenses, it being understood that approval of such leases or financing approved in the Annual Budget pursuant to Section 1.5.1 shall be deemed consented to by the Parties; (iii) depreciation on the Hotel or any of its contents; (iv) FF&E Expenditures; (v) other Capital Expenditures; and (vi) where such expenses are explicitly excluded from the definition of Operating Expenses in this Agreement.

(h) "Performance GOP Test" shall mean the Hotel GOP is not less than ninety (90%) of budgeted Hotel GOP as set out in the Annual Budgets for the relevant Fiscal Year.

(i) "Performance RevPAR Test" shall mean the Achieved RevPAR for the Hotel is equal to or greater than the Yield Index Performance Standard.

(j) "Performance Test" shall be deemed not to have been met for any Fiscal Year if, for such Fiscal Year, the Performance GOP Test and the Performance RevPAR Test are not satisfied.

(k) "Termination Effective Date" shall mean the date upon which any termination of this Agreement occurs pursuant to this Section 3.4.

(l) "Yield Index Performance Standard" shall be one hundred twenty percent (120%) of the Achieved RevPAR for the Competitive Set as reported by the Information Source. However, if the entry of a new hotel into the Competitive Set, the removal of a hotel from the Competitive Set, or a major renovation or re-positioning of a hotel in the Competitive Set causes significant variations in the Yield Index Performance Standard that do not reflect the Hotel's true position in the relevant market, appropriate adjustments shall be made to the Yield Index Performance Standard by mutual consent of Owner and Manager, and if the Parties cannot agree on an appropriate adjustment, the matter shall be resolved by referral to an Expert in accordance with the provisions of Section 3.4.1(c).

3.4.2 Performance Termination - Standard

(a) Owner shall have the right to terminate this Agreement if for any two (2) consecutive Fiscal Years (the first of which shall be no sooner than the third (3rd) full Fiscal Year following the Opening Date) (such consecutive Fiscal Years being herein referred to as the "Performance Period"), the Performance Test has not been met, and is not cured by Manager pursuant to this Section 3.4.2. Notwithstanding the preceding sentence, any Fiscal Year in which the operation of the Hotel is materially and adversely affected by one or more of the following: (i) Force Majeure Causes or damage to or destruction of the Hotel, (ii) taking of all or a part of the Hotel or the Airport by eminent domain, condemnation or similar proceeding, (iii) failure by Owner to provide sufficient working capital funds as required hereunder, (iv) a Major Refurbishing Program (as defined in Section 4.8.3(d)(iii), (v) a material portion of the Airport is otherwise taken out of service for a period of thirty (30) days or more, (vi) if there are less than four (4) other hotels in the Competitive Set pursuant to Section 3.4.1 and a replacement hotel for the Competitive Set is not determined by agreement of the Parties or by the Expert, in each case in accordance with Section 3.4.1(b), or (vii) a material default by Owner of its obligations under this Agreement) ((i) through (vii) hereinafter referred to as an "Intervening Event" or collectively as the "Intervening Events"), shall be disregarded for all purposes hereof and shall not be included for consecutive year purposes such that the

Fiscal Year immediately preceding and the Fiscal Year immediately succeeding the Fiscal Year in which an Intervening Event occurs shall be considered consecutive years for purposes of the Performance Test. Notwithstanding the foregoing, if Manager elects to "cure" a Performance Test failure pursuant to Section 3.4.2(d), any Fiscal Years with respect to which a "cure" payment has been made shall not be included in a second Performance Period or considered a second time for a Performance Test; in such event, the two Fiscal Years immediately following the Intervening Year shall be considered the next Performance Period. The Hotel's failure of the Performance Test shall not be deemed a default by Manager of its obligations under this Agreement and Owner's sole remedy for such failure shall be its right to terminate in accordance with the provisions of this Section 3.4.2.

(b) Owner shall have one hundred twenty (120) days after the later to occur of (i) receipt of the Certified Financial Statement for the second of the consecutive Fiscal Years in which Owner believes there has been a failure of the Performance Test, and (ii) receipt from Manager of the report required under Section 3.4.2(c) below from the Information Source as to the Achieved RevPAR for the Competitive Set for such Fiscal Years, in which to give written notice (a "Performance Termination Notice") to Manager of Owner's irrevocable intention to terminate this Agreement. If such Performance Termination Notice is not received by Manager within the aforesaid one hundred twenty (120) days, Owner's right to terminate this Agreement pursuant to this Section 3.4.2 shall lapse until such time as the conditions set forth in the first sentence of Section 3.4.2(a) shall again be satisfied.

(c) After the same is available following the end of each Fiscal Year, Manager shall furnish Owner a report from the Information Source setting forth the Achieved RevPAR for the Competitive Set and for the Hotel for the preceding Fiscal Year.

(d) If Owner, having a right to do so, delivers a timely Performance Termination Notice in accordance with the foregoing, Manager shall thereafter have the right to "cure" the Performance Test failure and extinguish Owner's right to terminate this Agreement by paying to Owner (on or before the thirtieth (30th) day following receipt of the Performance Termination Notice) in cash an amount equal to the GOP Deficiency for the two (2) Fiscal Years of the Performance Period that resulted in the Performance Termination Notice. Nothing herein contained shall be deemed to obligate Manager to "cure" any Performance Test failure and the failure to "cure" the same shall not be deemed an Event of Default by Manager under this Agreement. If Manager has "cured" such Performance Test failure, both of the consecutive Fiscal Years in which the Performance Test has not been met shall, for all purposes be deemed Fiscal Years in which the Performance Test was met and neither of the two (2) years used in such Performance Test shall be used in any other Performance Period. The payment of the GOP Deficiency shall be final and non-refundable, except in the event of an objection by either Party to the Certified Financial Statements for the applicable Fiscal Years in which case the provisions of Section 8.4(e) below

regarding an objection to the Certified Financial Statements shall apply. Manager shall only have two (2) rights to cure a Performance Test failure during the Term of this Agreement.

(e) If Owner properly and timely exercises its right to terminate in accordance with the provisions of this Section 3.4.2, and Manager does not "cure" as provided in Section 3.4.2(d), then, subject to the provisions of Section 22, all of the rights and obligations of the Parties hereto shall terminate without further act or notice of either of the Parties, on the Termination Effective Date specified in a written notice from Owner to Manager, which date shall in no event be sooner than ninety (90) days following Owner's delivery of the Performance Termination Notice, nor later than six (6) months thereafter, except as otherwise provided in Section 3.9.

Within sixty (60) days after the Termination Effective Date as herein provided, Owner shall pay to Manager all amounts due to Manager under this Agreement, the Technical Services Agreement and the Pre-Opening Services Agreement, including but not limited to all Management Fees due for the period up to and including the date of termination, any Manager advances, and all amounts under Section 25.10.

(f) Subsequent to any termination pursuant to this Section 3.4.2, Section 8.4(f) shall apply with respect to the Final Audit in connection with such termination.

3.5 Termination by Manager

In the event any of the events in the following clauses (a) through (g) occur and are not cured, Manager's sole and exclusive remedy under this Agreement shall be to elect either (x) to be excused from its obligation to operate the Hotel in conformity with the Brand Standards, to the extent of the preclusion or impairment, and to otherwise continue the management of the Hotel in accordance with the terms of this Agreement, or (y) to terminate this Agreement by giving at least one hundred twenty (120) days written notice (or such shorter period as may be indicated below) thereof to Owner and receive payment of the amounts set forth in the following paragraph; provided, however, that prior to exercising its right to terminate this Agreement under any of the following clauses (other than clause (a)), Manager shall use commercially reasonable efforts, taking into account the immediacy and potential adverse impact of the event or circumstance, to resolve its differences with the Owner.

(a) failure by the Owner, in its sole discretion, to provide additional funds as requested by the Manager pursuant to Section 4.8.5(b)(ii) hereof within thirty (30) days after the submittal of such request, then Manager shall have the right to terminate this Agreement on no less than thirty (30) days written notice thereof to Owner;

(b) the application of a Legal Requirement or Law that is reasonably likely to preclude or materially impair Manager's ability to operate the Hotel in conformity with the Brand Standards which application has continued for a period of thirty (30) days after

notice to Owner and provided that Manager, as an experienced Hotel operator, can objectively demonstrate that it is so precluded or materially impaired;

(c) a transfer of title to or possession of the Hotel by judicial or administrative process to an individual or entity that does not qualify as a permitted transferee under Section 16.2, in which event, Manager shall be have the right to terminate this Agreement upon thirty (30) days' written notice to Owner;

(d) Owner's disapproval of any contract submitted to Owner for its approval pursuant to Section 2.4 or Section 2.5, (i) that Manager reasonably and in good faith determines is material to its operation of the Hotel at the Brand Standards, and (ii) for which Owner and Manager are unable to negotiate a replacement provision or contract and Manager has engaged in good faith efforts to negotiate such replacement;

(e) Owner's failure to begin renovation of the Existing Hotel on or before January 1, 2021 ("Start of Renovation"), which date may be extended to the extent of any Force Majeure Causes, up to 120 additional days;

(f) the termination of the Technical Services Agreement before the expiration of its term (except where such early termination is due to Manager's or Owner's default thereunder); or

(g) failure by Owner to maintain the Hotel in conformance with the Brand Standards in accordance with Section 1.4.3.

Notwithstanding the limitations set forth in Section 27, in the event of a termination by Manager under this Section 3.5, Owner shall pay to Manager all amounts due, but not yet paid, to Manager under the Technical Services Agreement and Pre-Opening Services Agreement, all earned, but unpaid Management Fees, any Manager advances, all amounts under Section 25.10, and, except with respect to a termination under Section 3.5(e), the Termination Fee set forth in Section 3.6(b). Upon termination pursuant to this Section 3.5, Manager agrees that it shall not be entitled to any other payments from Owner under this Agreement.

3.6 Owner Termination Right

(a) At any time beginning after the expiration of the seventh (7^{th}) full Fiscal Year, Owner shall have the right to terminate this Agreement, provided that (i) Owner advises Manager of its election to so terminate pursuant to this Section 3.6(a) by timely delivery of a written notice (the "Termination Notice") setting forth Owner's intention to terminate this Agreement; (ii) the Termination Notice shall contain the effective date of the termination (which may in no event be sooner than ninety (90) days and no later than one hundred eighty (180) days after delivery of the Termination Notice, except as otherwise provided in Section 3.9); and (iii) concurrently with the termination, there shall have been paid to Manager in cash all amounts due to Manager under this Agreement through the date of termination, including but not limited to all Management Fees earned up to and including the date of termination, any Manager advances, all amounts under Section 25.10 plus the Termination Fee defined in Section 3.6(b).

(b) "Termination Fee" shall mean if the termination occurs during the Initial Term on or before the first day of the eighth (8^{th}) Fiscal Year, an amount equal to US $1,000.00 the "Termination Factor") multiplied by the number of guest rooms in the Hotel; and if terminated on any date after the first day of the eighth (8^{th}) Fiscal Year, the Termination Factor shall be amortized on a straight-line basis over the remainder of the Initial Term until it is equal to zero on the last day of the Initial Term, and such amortized Termination Factor shall be multiplied by the number of guest rooms in the Hotel. After the initial Term, the Agreement may be terminated in accordance with this Agreement without payment of any Termination Fee.

(c) So long as any Financing is outstanding, this Agreement is subject to termination upon a Foreclosure if (i) an event of default exists under the Indenture (as defined in Section 31.13), (ii) an Event of Default by Manager exists under this Agreement at the time of commencement, completion or during the process of the Foreclosure proceeding, or (iii) Owner has the right to terminate the Agreement pursuant to Section 3.4.2 and Manager has not elected to avoid such termination pursuant to Section 3.4.2(d); provided, that notice of termination is provided to Manager from the purchaser at a foreclosure sale (the "Foreclosure Purchaser"), which notice shall set forth a date when this Agreement shall terminate, which date shall be no sooner than ninety (90) days and no later than one hundred eighty (180) days after delivery of such notice, except as otherwise provided in Section 3.9. During such period after Foreclosure (herein, the "Transition Period"), Manager shall continue to manage and operate the Hotel on an interim basis pending the Foreclosure Purchaser's selection and engagement of a new operator under and subject to the provisions of this Agreement, provided that (i) this Agreement shall be binding on any Foreclosure Purchaser for the full Transition Period, (ii) the length of such Transition Period during which Manager is operating on an interim basis is a reasonable period of time agreed upon by Manager and the Foreclosure Purchaser and no more than one hundred eighty (180) days after Foreclosure, and (iii) the provisions of Section 28 (Non-Competition) shall not apply during such Transition Period. As compensation for such interim management, Manager shall continue to be paid the Management Fees. Until Manager is terminated, the terms of this Agreement shall remain in full force and effect, except that the provisions of Section 28 (Non-Competition) shall not apply during the Transition Period. Notwithstanding the foregoing, if the Foreclosure Purchaser is Owner or an Affiliate of Owner, or Owner or an Affiliate of Owner receives a deed in lieu of foreclosure, this Agreement shall not terminate. Additionally, in the event that such Foreclosure Purchaser does not assume this Agreement or meet the requirements of Section 16.2, Manager shall have the right, upon ten (10) days' prior written notice, to terminate this Agreement. This provision shall be subject to the terms of any Subordination and Non-disturbance Agreement entered into by a Lender, Manager and Owner in connection with any Financing.

(d) On or prior to, and as a condition to termination under Section 3.6(c), Owner or the Foreclosure Purchaser, as the case may be, shall pay to Manager all amounts

due, but not yet paid, to Manager under this Agreement, including but not limited to all Management Fees earned up to the date of termination, any Manager advances, and all amounts under Section 25.10. For the avoidance of doubt, Manager hereby agrees and acknowledges that the Termination Fee shall not be payable upon a termination under Section 3.6(c).

(e) "Foreclosure" shall mean any exercise of the remedies available to a Lender, upon a default under the Financing pursuant to which Lender is secured, which results in a transfer of title to the Hotel and shall include any one or more of the following events, if they occur in connection with a default under a Financing: (i) a transfer by judicial foreclosure; (ii) a transfer by deed in lieu of foreclosure; (iii) entering into and taking possession of the Hotel by the trustee pursuant to the terms of the Indenture or another Lender pursuant to the terms of the applicable financing documents; (iv) the appointment by a court of a receiver to assume possession of the Hotel; (v) a transfer resulting from an order given in a bankruptcy, reorganization, insolvency or similar proceeding; or (vi) a transfer through any similar judicial or non-judicial exercise of the remedies held by the Lender.

Notwithstanding the foregoing, any transfer to a governmental entity that is a successor to Owner as a result of a legislative restructuring of Owner (or the reorganization or transfer of governmental responsibilities of the Owner) shall not be deemed to be a Foreclosure under this Agreement, and Owner will have no right to terminate this Agreement under Section 3.6(c). Any such successor must be a permitted Transferee under Section 16.2.

(f) "Financing" means any mortgage, deed of trust or security document encumbering the Hotel or both of the Hotels, the Improvements or the Site, and with respect to the Bonds (as defined in Section 31.13), shall include the Indenture. "Lender(s)" shall mean the secured party under any Financing, and with respect to the Bonds, shall mean the holders of the Bonds and the trustee on behalf of and for the benefit of the holders of the Bonds.

3.7 Owner Election Not to Construct New Hotel

If Owner determines, in its sole discretion, that it is no longer economically viable, or in the City's best interest, to build the New Hotel based upon changes in the local market or changes in financing, construction or projected operating costs of the New Hotel that occur following the Effective Date, notwithstanding such determination, this Agreement shall continue in full force and effect.

3.8 Events of Default

(a) The following constitute Events of Default ("Events of Default") by Manager or, as stated, Owner, under this Agreement. The non-defaulting Party will notify the defaulting Party in writing of any event that the non-defaulting Party believes to be an Event of Default.

(i) Any material misrepresentation intentionally made by Manager to the City hereunder in the inducement to City to enter this Agreement or in the performance of this Agreement. There is no right to cure this Event of Default.

(ii) Intentionally Deleted.

(iii) The failure of a Party (the "Defaulting Party") to pay to the other Party (the "Non-Defaulting Party") any sum which has become due and payable hereunder within ten (10) days after receipt by the Defaulting Party of a notice from the Non-Defaulting Party specifying such failure; in addition, a Defaulting Party's failure to make any such payment more than three (3) times in any Fiscal Year constitutes an Event of Default without the necessity of the Non-Defaulting Party giving notice of the fourth failure to the Defaulting Party or any opportunity to cure it; or

(iv) The failure by a Party to perform, keep or fulfill any of the material terms, covenants, undertakings, obligations or conditions set forth in this Agreement (the "Defaulting Party") other than those referred to in the foregoing paragraphs (i), (ii) and (iii) and the following paragraphs (v), (vii) through (xiii), and the continuance of such failure for a period of thirty (30) days after receipt by the Defaulting Party of written notice thereof from the other Party (the "Non-Defaulting Party") specifying such failure. Except for failure to perform, keep or fulfill any of the terms of Sections 7.2, 15, 29 or 31.15, in the event such failure is of a nature that it cannot, with due diligence and in good faith, be cured within thirty (30) days and such Defaulting Party fails to proceed promptly and with due diligence and in good faith to cure the same and thereafter to prosecute the curing of such failure with due diligence and in good faith (it being intended that, in connection with a failure not susceptible of being cured with diligence and in good faith within thirty (30) days the time of such Defaulting Party within which to cure the same shall be extended for such period as may be reasonably necessary for the curing thereof with due diligence and in good faith, but in no event shall such cure period be in excess of one hundred twenty (120) days); or

(v) Manager's failure to provide or maintain the insurance coverage required under this Agreement (including any material non-compliance with the requirements of Section 9.2) and the failure to cure within two (2) days following written notice from the Owner; or, if the noncompliance is non-material, the failure to cure within thirty (30) days after the Owner gives written notice. The Owner, in Owner's sole discretion, will determine if noncompliance is material; or

(vi) subject to Force Majeure, Manager's failure to cause the Hotel to be operated at all times Manager is required to do so under this Agreement

(which failure, for the avoidance of doubt is subject to the notice and cure period set forth in Section 3.8(a)(iv) hereof); or

(vii) the occurrence of an Event of Default by Manager or Owner under the Possible New Hotel Management Agreement shall be an Event of Default by the respective Party hereunder; or

(viii) Manager or Owner does any of the following and the action affects the other Party's ability to carry out the terms of this Agreement: (i) becomes insolvent, as the term is defined under Section 101 of the United States Bankruptcy Code as amended from time to time; or (ii) fails to pay its debts generally as they mature; or (iii) seeks the benefit of any present or future federal, state or foreign insolvency statute; or (iv) makes a general assignment for the benefit of creditors; or (v) files a voluntary petition in bankruptcy or a petition or answer seeking an arrangement of its indebtedness under the United States Bankruptcy Code or under any other law or statute of the United States or of any State or any foreign jurisdiction; or (vi) consents to the appointment of a receiver, trustee, custodian, liquidator or other similar official, of all or substantially all of its property, which remains in effect for a period in excess of sixty (60) days; or

(ix) an order for relief is entered by or against Manager or Owner under any chapter of the Bankruptcy Code or similar law in any foreign jurisdiction and is not stayed or vacated within sixty (60) days following its issuance; or

(x) Manager or Owner is dissolved; or

(xi) a violation of law that results in a guilty plea, a plea of nolo contendere, guilty finding, or conviction of a criminal offense, by Manager or Owner, or any of their respective directors, officers, partners or key management employees directly or indirectly relating to this Agreement and that threatens Manager's or Owner's performance of this Agreement in accordance with its terms, as applicable; or

(xii) subject to Force Majeure, any failure by Manager or Owner to perform, act, event or omission that is specifically identified as an Event of Default elsewhere in this Agreement; or

(xiii) The occurrence and continuation of an Event of Default by Manager or Owner under the Technical Services Agreement shall be an Event of Default by the respective party under this Agreement; or

(xiv) The occurrence and continuation of an Event of Default by Manager or Owner under the Pre-Opening Services Agreement shall be an Event of Default by the respective party under this Agreement.

Notwithstanding the foregoing or other provisions of this Agreement, with respect to a failure by Manager to perform, keep or fulfill any of the terms, covenants, undertakings, obligations or conditions of Manager set forth in Sections 7.2, 15, 29, 31.15 or other obligations of Manager herein related to compliance with Laws and/or Legal Requirements and related representations and warranties, it is understood and agreed that the notice and cure period requirements set forth in Section 3.8(a)(iv) shall apply to such failures; provided, however, that if a provision of law or regulation applicable to the Owner (including, without limitation, federal grant assurances and other requirements of the FAA or United States Department of Transportation) expressly provides that there is no right to cure or a shorter period to cure a particular Event of Default, there will be no right to cure or the cure period will be the shorter period, as provided by such law or regulation.

(b) If an Event of Default by Owner occurs and is not cured by Owner in the time allowed, in addition to any other remedies provided for in this Agreement, the Manager may give the Owner written notice of its intention to terminate this Agreement after the expiration of a period of thirty (30) days from the date of such notice and, upon the expiration of such period, this Agreement as set forth in such notice shall terminate except as provided in Section 3.9; provided, however, that with respect to an Event of Default by Owner resulting from a Sale or other transfer of the Hotel or this Agreement to an individual or entity that does not qualify as a permitted transferee under Section 16.2(iii) or (v) hereof, Manager may give the Owner written notice of termination of this Agreement to take effect immediately upon the occurrence of such Event of Default. The termination of this Agreement by Manager under this Section 3.8(b), subject to Section 3.5 and Section 27 hereof, shall not affect the rights of Manager with respect to any damages it has suffered as a result of any breach of this Agreement, nor shall it affect the rights of Manager with respect to liability or claims accrued, or arising out of events occurring, prior to the termination. Subject to Section 3.5 and Section 27, neither the right to terminate nor the right to sue for damages nor any other remedy available to Manager hereunder shall be exclusive of any other remedy given hereunder or now or hereafter existing at law or in equity.

(c) If an Event of Default by Manager occurs and is not cured by Manager in the time allowed, in addition to any other remedies provided for in this Agreement, including the remedy of Self-help as provided in Section 3.10, the City through the Commissioner of the Department of Aviation, City of Chicago ("Commissioner") or other appropriate City official may exercise any or all of the following remedies:

(i) The City may terminate this Agreement. If the Owner elects to terminate this Agreement, the Owner may, at the Owner's sole option, serve notice upon Manager that this Agreement ceases and expires and becomes absolutely void on the date specified in the notice, to be no less than thirty (30) days after the date of the notice, without any right on the part of

Manager after that to save the forfeiture by payment of any sum due or by the performance of any term, provision, covenant, agreement or condition broken. At the expiration of the time limit in the notice, this Agreement and the Term of this Agreement, as well as any right or interest of Manager under this Agreement, wholly ceases and expires and becomes void in the same manner and with the same force and effect (except as to Manager's liability) as if the date fixed in the notice were the date in this Agreement stated for expiration of the Term. Manager shall commence the process of preparing for the transition of operations within five (5) days after the date of the notice.

(ii) At any time after the termination of this Agreement, reenter and repossess the Site and the Hotel and/or any part of it with or without process of law, so long as no undue force is used, and the City has the option, but not the obligation, to enter into a new Management Agreement for all or any part of the Hotel.

(iii) Seek and obtain specific performance, a temporary restraining order or an injunction, or any other appropriate equitable remedy.

(iv) Seek and obtain monetary damages; provided, however, that notwithstanding any other provision in this Agreement to the contrary, the following limits shall apply to monetary damages due from the Manager for an Event of Default hereunder:

(A) If an Event of Default by Manager does not arise from Manager's Negligence (as hereinafter defined) or Manager's Gross Negligence or Willful Misconduct (as defined in Section 10), then Owner shall not be entitled to seek, recover or obtain any monetary damages from Manager or its Related Parties under this Agreement or the other Hotel Agreements, and in no event shall monetary damages be due or payable by Manager or its Related Parties;

(B) With respect to Events of Default by Manager arising from Manager's Negligence (but not Manager's Gross Negligence or Willful Misconduct), Manager's cumulative liability shall be limited in the aggregate for all such Events of Default under this Agreement and the other Hotel Agreements to actual damages incurred by Owner up to a maximum equal to the amount of Management Fees paid to Manager under this Agreement within the three (3) years preceding the date of notice of the applicable claim; or

(C) To the extent that an Event of Default arises from Manager's Gross Negligence or Willful Misconduct.

monetary damages are limited to actual damages, but the amount of such damages is not limited hereby.

(D) "Manager's Negligence" as used in this Agreement means any negligence of Manager, its Affiliates or any Senior Executive Personnel (as defined below) of the Hotel in the performance of Manager's duties under this Agreement; provided that the acts or omissions of Hotel Employees (other than Senior Executive Personnel) shall not be imputed to Manager, its Affiliates or any Senior Executive Personnel, or otherwise deemed to constitute Manager's negligence, unless such acts or omissions resulted from the negligence of the Senior Executive Personnel supervising such Hotel Employees.

(v) Deem Manager and Affiliates non-responsible in future contracts or concessions to be awarded by the City.

(vi) Intentionally Deleted.

(vii) Require Manager to terminate an agreement or another contract entered into as agent for Owner with respect to the Hotel that is causing an Event of Default under this Agreement which has not been cured.

3.9 General Provisions Regarding Termination

Manager and Owner agree that, in connection with any termination of this Agreement, notwithstanding anything to the contrary herein, written notice shall be delivered under, pursuant to and in accordance with the provisions of the United States Worker Adjustment and Retraining Notification Act, as amended (the "WARN Act") at least sixty (60) days prior to the effective date of the termination. Accordingly, anything herein to the contrary notwithstanding, in addition to the Owner's written notice of termination to Manager (or as part thereof if Owner so elects), Owner shall also deliver to Manager a "WARN Date Notice" setting forth the date (which shall in no event be sooner than ten (10) days after the date of delivery of the WARN Date Notice by Owner to Manager) on which Owner desires to have Manager deliver WARN Act Notices and the date for termination of employment to be specified in such WARN Act Notices (which date may in no event be sooner than seventy (70) days after delivery of the WARN Date Notice).

For all purposes of this Section 3.9, the date on which this Agreement shall terminate in accordance with the provisions of this Section shall be the date set forth for employment termination in the WARN Date Notice. For all purposes of this Section, and notwithstanding any other provisions of this Agreement to the contrary, the date of delivery of any notice to be delivered pursuant to this Section (including the termination notice and the WARN Date Notice) shall be the date of actual receipt thereof by Manager.

3.10 Owner's Right to Perform Manager's Obligations.

(a) Upon the occurrence of an Event of Default that Manager has failed to cure in the time provided or dispute in good faith, the Owner may, but is not obligated to, make any payment, or perform any act required to be performed by Manager under this Agreement in any manner deemed expedient by the Owner for the purpose of correcting the condition that gave rise to the Event of Default ("Self-help"), so long as such Self-help does not cause an undue disruption to the operations of the Hotel. The Owner's inaction shall never constitute a waiver of any right accruing to the City under this Agreement nor do the provisions of this Section or any exercise by the Owner of Self-help under this Agreement cure any Event of Default. Any exercise of Self-help does not limit the right of any other City department or agency to enforce applicable City ordinances or regulations.

(b) The Owner, in making any payment that Manager has failed to pay:

(i) relating to taxes, may do so according to any bill, statement or estimate, without inquiry into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim;

(ii) for the discharge, compromise or settlement of any lien, may do so without inquiry as to the validity or amount of any claim for lien that may be asserted; and

(iii) in connection with the completion of construction, furnishing or equipping of the Hotel or the operation or management of the Hotel or the payment of any of its Operating Expenses, may do so in such amounts and to such persons as the Owner may deem appropriate.

(c) If Manager fails to perform its obligations under this Agreement to maintain or to manage the Hotel in accordance with the Brand Standards within the applicable cure period, or in the event of a serious health or safety concern or in an emergency (in which case no notice is required) the Owner may, but is not obligated to, perform or cause the performance of any such obligation in any manner deemed expedient by the Owner for the purpose of correcting the condition in question, so long as such Self-help does not cause an undue disruption to the operations of the Hotel.

(d) Subject to Section 3.8(c)(iv), if the Owner is required to expend sums under the provisions of this Section, all incidental costs, expenses and reasonable attorneys' fees in connection with the performance of any such act by the Owner, together with interest thereon at the Default Rate accruing from the date paid, from the date of the Owner's payment until the date paid by Manager, are payable to the Owner within ten (10) days after demand therefor, and Manager covenants to pay any such sum or sums with interest at the Default Rate. Such payments shall not constitute an Operating Expense and shall be paid by Manager from its own funds.

3.11 Effect of Default and Remedies.

(a) The waiver of any one right or remedy provided in this Agreement does not constitute a waiver of any other right or remedy then or later available to the Parties under this Agreement or otherwise. A failure by either Party to take any action with respect to any Event of Default or violation of any of the terms, covenants or conditions of this Agreement will not in any respect limit, prejudice, diminish or constitute a waiver of any rights of such Party to act with respect to any prior, contemporaneous or later violation or Event of Default or with respect to any continuation or repetition of the original violation or Event of Default. The acceptance of payment for any period or periods after an Event of Default or violation of any of the terms, conditions and covenants of this Agreement does not constitute a waiver or diminution of, nor create any limitation upon any right of the non-defaulting Party under this Agreement to terminate this Agreement for subsequent violation or Event of Default, or for continuation or repetition of the original violation or Event of Default.

(b) All rights and remedies of the Parties under this Agreement are separate and cumulative and none excludes any other right or remedy of the Parties set forth in this Agreement or allowed by law or in equity. No termination of this Agreement deprives either Party of any of its remedies for amounts due, liabilities or other claims accrued, or arising out of events occurring, prior to the date of termination, or for damages for the other Party's breach of this Agreement. Every right and remedy of the Parties under this Agreement arising out of an Event of Default or indemnification obligations survives the expiration of the Term or the termination of this Agreement.

Section 4. USE AND OPERATION OF THE HOTELS

4.1 Use and Standard of Operation

Owner, without relinquishing Owner's property interests in the Hotel, hereby grants to Manager the sole and exclusive right to manage and operate the Hotel, pursuant to the terms of this Agreement and Manager agrees that, except to the extent excused as hereinafter provided, Manager will, as the agent of Owner, as described in Section 1.1, operate, service, and maintain the Hotel during the Term consistent with the Brand Standards (as defined in Section 1.4) and in a businesslike and efficient manner in accordance with the terms of this Agreement; and Manager shall use the Hotel in a manner consistent with the Brand Standards and for other activities that are customary and usual in connection with such an operation; all of the foregoing shall be effected with the primary purpose of maximizing the Hotel's long term (a) profitability, (b) value in a manner consistent with the Brand Standards, and (c) customer service, subject to the terms of this Agreement.

Except as otherwise specifically limited under this Agreement, approved budget and line item limitations, the affirmative action and equal employment opportunity requirements set forth in Section 15 and **Exhibit E**, the required City contracting guidelines set forth in **Exhibit F**, and Owner's right to approve certain contracts, Manager, as sole and exclusive agent of Owner, as

described in Section 1.1, shall have the right and obligation to operate the Hotel including, without limitation, the following:

(a) the right and power to negotiate contracts as described in Section 2.1 hereof;

(b) the right, subject to Section 1.5.1(b), to determine the terms of admittance, charges for rooms, charges for banquet and meeting rooms, charges for entertainment, food and beverages in dining outlets, room service, and meeting rooms, charges for recreational or other guest facilities, amenities, goods and services available at the Hotel, and

(c) without limiting Section 4.3 and Section 4.4 hereof, the right and power to establish labor policies (including wage rates, the hiring and discharging of employees, and the installation of employee retirement or other benefit plans), and all phases of promotion and publicity relating to the Hotel.

Manager will, at all times reasonably cooperate with and coordinate with Owner in any renovation of the Hotel that may be taken on by the Owner. During the period beginning on the Opening Date of the Existing Hotel and ending when the initial renovation of the Existing Hotel is complete, the Parties acknowledge and agree that the Hotel will be maintained and operated in accordance with Brand Standards to the extent commercially practicable given the ongoing renovation of the Hotel, and to the extent not commercially practicable to do so, Manager shall be excused from operating, servicing, and maintaining the Existing Hotel consistent with the Brand Standards.

If Manager engages an F&B Operator (as hereinafter defined) pursuant to Section 4.10, Manager shall either (i) provide from its Corporate Personnel, (ii) hire a Hotel employee, or (iii) engage as agent for Owner an independent food and beverage consultant, to consult and advise the F&B Operator with respect to its obligations under the F&B Operations Agreement (as hereinafter defined). Manager shall determine, in its reasonable discretion, the extent of such Corporate Personnel's or Hotel employee's business time that would be devoted to such consulting duties. The cost of such Corporate Personnel, Hotel employee or consultant shall be an Operating Expense of the Hotel.

4.2 Transactions with Related Persons, Manager Affiliates & Third Parties in which Manager has an Economic Interest

Subject to Section 30, Manager may enter into transactions with Related Persons (as defined in Section 8.2.4(c)), Manager Affiliates, and with third parties in which Manager or Manager Affiliates have an economic interest, to provide goods, services, systems or programs to the Hotel; provided, however, that Manager has no authority to confer any rights or powers with respect to the Hotel to a third party that have not been conferred upon Manager pursuant to this Agreement.

For the avoidance of doubt, this Section 4.2 does not apply to Chain Services, Direct Deductions Services, or Centralized Purchasing Services. Section 8.2 shall govern any arrangement involving the provision of Chain Services, Direct Deductions Services, and Centralized Purchasing Services.

4.2.1 Transactions with a Related Person

The following terms shall be applicable to any transaction with a Related Person:

(a) If the transaction involves the provision of a program or service both to the Hotel and other Brand Hotels or Brand Name hotels, the costs and expenses incurred in providing such program or service shall be allocated on a fair and equitable basis among such Brand Hotels or Brand Name hotels, respectively. The Hotel's share of the costs (i) will be Operating Expenses, and (ii) may include, as applicable, an allocation of (y) actual, industry standard salaries, payroll taxes, employee benefits, and other personnel costs of the employees of the Related Person providing the program or service, and (z) development costs and overhead of that Related Person directly or indirectly related to providing the program or service.

(b) The cost to the Hotel for the transaction will not include any Profit Component to Manager or any Related Person. For purposes of this Section 4.2.1(b), "Profit Component" shall mean a markup of the costs incurred in providing such program or service, but shall specifically not include (i) the cost of capital, research, acquisition and development expenses or allocations of corporate overhead directly or indirectly related to such program or service, or (ii) actual, industry standard salaries, payroll taxes, employee benefits, and other personnel costs of the employees of the Related Person providing the program or service. The intent of such overhead allocation policy is to charge for a program or service provided by a Related Person in a manner designed to allow recovery of the costs of developing or delivering such program or service, and not to provide for a Profit Component. Notwithstanding the foregoing, at any particular time, there may be a surplus or deficit of funds associated with certain programs or services. Owner acknowledges that retention of such funds for use at a later date (including interest earned thereon) shall not constitute a "Profit Component."

Any inadvertent and immaterial lack of compliance with this Section 4.2.1 will not constitute an Event of Default by Manager hereunder; Manager shall, however, have an obligation to correct such lack of compliance and refund to Owner (through a deposit into the Hotel Accounts) any Profit Component received from the Hotel with respect to transactions with Related Persons for or on behalf of the Hotel.

4.2.2 Transactions with a Manager Affiliate (that is not a Related Person) or Other Third Party in which Manager has an Economic Interest

(a) For any transaction with (i) a Manager Affiliate that is not a Related Person, or (ii) any other third party in which Manager, a Related Person, or a Manager Affiliate has an economic interest, but which is neither a Related Person nor a Manager Affiliate, the cost to the Hotel for the transaction may include a Profit Component (a "Profit Transaction") if the cost to the Hotel meets the Competitive Terms Standard. A transaction meets the "Competitive Terms Standard" if it is competitive in the market considering (w) the quality, reputation and reliability of

the vendor and its products; (x) the scale of the purchase; (y) the grouping of the acquired items or services in reasonable categories rather than item by item, service by service or program by program; and (z) other factors that are reasonably appropriate. Manager will provide to Owner a list of all Profit Transactions effected during each Fiscal Year (the "Annual Profit Transactions Report") within 90 day after the end of each Fiscal Year. The Annual Profit Transactions Report will include a certification by a vice president of Manager that such list is true and accurate and that, in Manager's reasonable judgment, the listed Profit Transactions satisfy the Competitive Terms Standard.

(b) Any dispute over whether the cost of a Profit Transaction is competitive in the market under Section 4.2.2(a) will be resolved by the Expert. If the Expert decides that a Profit Transaction was not competitive in the market, Owner's exclusive remedy is for Manager to pay the excess of the cost charged to the Hotel over the cost the Expert decides would have been charged had the Profit Transaction been competitive in the market. Manager will make any of these payments through a deposit into the Hotel Accounts. Thereafter, Manager may either reduce the cost of the Profit Transaction in order to be competitive in the market or stop such transaction with respect to the Hotel.

(c) Any inadvertent and immaterial lack of compliance with this Section 4.2.2 will not constitute an Event of Default by Manager hereunder; Manager shall, however, have an obligation to correct such lack of compliance pursuant to Section 4.2.2(b).

4.3 Hotel Employees

(a) Manager shall have the sole and exclusive right and authority to direct Hotel Employees, and to recruit, select, hire, train, supervise, promote, demote, transfer in or transfer out, discipline, suspend or terminate Hotel Employees. All Hotel Employees shall be employed by Manager or (at Manager's election) an Affiliate of Manager; provided, however, all Employee Costs shall be the sole responsibility of Owner and Manager is permitted to draw from the Hotel Accounts to pay such Employee Costs. Manager shall determine and implement all personnel policies and practices relating to the Hotel. Upon written request from Owner no more frequently than quarterly, Manager shall provide Owner with information regarding the number of Hotel Employees and how many are residents of the City and, as part of the Annual Budget process, anticipated Employee Costs (provided on a aggregated basis, such as by operating department basis or job category), and such additional related information as may be reasonably requested by Owner that does not constitute personally identifying information and that is maintained by Manager in the ordinary course of business and in accordance with Manager's standard practices for other Brand Hotels, to the extent providing such information would not be a violation of any applicable Legal Requirements or Laws, Manager's or its Affiliates' privacy policies or agreements Manager or its Affiliates have with their employees or third parties, and provided that in any case the foregoing shall not require

Manager to disclose individual Hotel Employee names, salaries or other personal information. Manager shall participate in job fairs within socio-economically disadvantaged areas of the City as reasonably requested by Owner, but no more than twice each Fiscal Year.

"Hotel Employees" shall mean employees of Manager or an Affiliate of Manager who perform their duties on site at the Hotel (other than Corporate Personnel) and who may be employed on a shared employee basis with other Manager properties. "Corporate Personnel" shall mean any personnel from the corporate offices of Manager or its Affiliates who perform services under this Agreement. "Employee Costs" shall mean the aggregate compensation including, without limitation, salary, wages, Fringe Benefits, incentive compensation, bonuses, employee performance and service awards, and other such amounts paid or payable to or accrued for the benefit of Hotel Employees, and other employee related costs such as payroll taxes, COBRA expenses, and recruitment and relocation expenses incurred by Manager or its Affiliates during the applicable period in question solely by reason of employment at the Hotel and shall not include costs attributable to employment at any other Manager properties, which shall be allocated by Manager between such properties and the Hotel on a fair and reasonable basis. The term "Fringe Benefits" shall include, without limitation, the cost of pension or profit sharing plans, workers' compensation benefits, group life and accident and health insurance or equivalent benefits, and similar benefits available to Hotel Employees by virtue of their employment with Manager or its Affiliates.

In the event and whenever Manager or its Affiliates shall be subject to any tax directly attributable to the operation of the Hotel on behalf of the Owner, irrespective of its designation (including a fee, charge or other imposition for the issuance of a license, permit or the privilege to conduct a business or occupation), imposed, levied or assessed by the United States, the State of Illinois, the City of Chicago, the County of Cook, any subdivision or agency of the foregoing or any other government body, which tax is measured, in whole or in part, by reference to reimbursements to Manager for compensation, employment taxes (which as between Manager and Owner are hereby expressly acknowledged and agreed to be the obligation of Owner) or any Fringe Benefits or other Employee Costs paid or payable to or in respect of Hotel Employees (excluding, however, franchise taxes and amounts required to be paid by Manager generally, including any income or other tax in lieu thereof, and not specifically by reason of its management of the Hotel, in order lawfully to do business in Illinois or any subdivision thereof), then, and in any such event, subject to Section 27, Owner will indemnify, defend and hold Manager and its Affiliates harmless from and against any and all liability for such tax or taxes to the extent so measured. At Owner's request, and in accordance with Section 7.2, Manager will resist, by appropriate proceedings, any liability for any tax which is the subject of the foregoing indemnification, in which case all costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by Manager in resisting or defending itself against such liability shall be borne and paid for by Owner. For

the avoidance of doubt, income taxes on Manager's compensation under this Agreement shall be the sole responsibility of Manager.

(b) Manager shall select, appoint and supervise the general manager and such other personnel as are reasonably necessary for the proper operation, maintenance, repair and security of the Hotel and the compensation payable to such employees (including salaries, Fringe Benefits, additional allowances and other payments including moving expenses and other costs of employment and Employee Costs) shall be an Operating Expense of the Hotel; provided, however, that Manager shall consult with Owner in advance of the hiring the general manager, controller, executive chef/food & beverage director, and sales director located at the Hotel and will give reasonable and good faith consideration to any input of the Owner for the Manager's selection of the persons to fill such positions; provided, further, that Owner shall be deemed to not have any objections to the hiring of any general manager, controller, executive chef/food & beverage director, or sales director candidate selected by Manager if Owner has not notified Manager in writing of Owner's concerns regarding the hiring of such candidate within ten (10) days following Manager's request for such input (which shall be accompanied by a written summary of such candidate's professional experience and qualifications).

In the event Owner shall, at any time, be or become dissatisfied with the performance of the general manager, controller, executive chef/food & beverage director, director of sales, or any other member of the Hotel's executive committee, Manager agrees to meet with the Owner to discuss said performance and the reasons for Owner's dissatisfaction with such performance. Manager will give reasonable and good faith consideration to the stated concerns of the Owner for the removal of the general manager, the director of sales, or any other member of the Hotel's executive committee. In the event that Manager chooses to transfer any Senior Executive Personnel (as defined in Section 10(j)) without cause within two years of their respective commencement of employment at the Hotel, Manager shall be solely responsible for (and the following shall not be an Operating Expense of the Hotel) all costs and expenses incurred in making such changes, including, without limitation, severance benefits, relocation costs, moving expenses, and recruitment and other related costs and expenses. Changes made at the Owner's request or the request of such Senior Executive Personnel due to personal reasons that require relocation such as a spouse's job change, and changes due to the death, disability, voluntary resignation, termination for "cause," or retirement of any Senior Executive Personnel shall not be deemed to be changes falling within the scope of the immediately preceding sentence, and Manager shall not be responsible for any such costs. Termination for "cause" shall mean termination by reason of theft, criminal conviction, refusal or inability to perform duties, or such other lawful cause consistent with Manager's corporate policies. No Senior Executive Personnel transferred to or rehired at another hotel managed by Manager within one (1) year of termination at the Hotel, shall be deemed to have been terminated for "cause."

The Manager expects to retain the majority of the employees working at the Existing Hotel on the date of this Agreement pursuant to the collective bargaining agreement in effect on the Effective Date. Pursuant to an Employee Retention Plan to be provided by Manager, Manager will provide interviews to all employees of the operation of the Existing Hotel that are not required to be retained pursuant to such collective bargaining agreement who choose to be interviewed. Participation in the interviewing process is at the sole election of the employees. The Manager will keep records concerning its implementation of the plan and will provide such records to the City upon request.

(c) Hiring Prohibitions

(i) The City is subject to the June 16, 2014 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the City Hiring Plan prohibits the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(ii) Manager is aware that City policy prohibits City employees from directing any individual to apply for a position with Manager, either as an employee or as a subcontractor, and from directing Manager to hire an individual as an employee or as a subcontractor. Accordingly, Manager must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel of Manager in connection with this Agreement are employees or subcontractors of Manager, not employees of the City of Chicago. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel of Manager.

(iii) Manager will not condition, base, or knowingly prejudice or affect any term or aspect of the employment of any personnel associated with this Agreement, or offer employment to any individual to provide services associated with this Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Agreement, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(iv) In the event of any communication to Manager by a City employee or City official in violation of Section 4.3(c)(ii) above, or advocating a violation of Section 4.3(c)(iii) above, Manager will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General, and also to the Commissioner of the CDA.

(d) Multi-Project Labor Agreement

(i) The City has entered into the Multi-Project Agreement ("PLA") with various trades regarding projects involving construction, demolition, maintenance, rehabilitation, and/or renovation work. During the term of this Agreement, Manager shall not contract or subcontract, nor permit any other person, firm, company, or entity to contract or subcontract, any construction, demolition, rehabilitation or renovation work for the project work covered under this Agreement or within the trade jurisdiction of the signatory labor organization, to be performed at the site of construction or off-site solely for installation at the Site or the Hotel unless such work is performed only by a person, firm or company signatory, or willing to become a signatory, to the applicable area-wide collective bargaining agreement(s) with the union(s) or the appropriate trade/craft unions(s) or subordinate body or affiliate of the Chicago & Cook County Building & Construction Trades Council ("Council") or the Teamsters' Joint Council No. 25.

(ii) Said provisions of this Agreement shall be included in all requests for bids and/or proposals for construction, demolition, rehabilitation or renovation work to be performed at the Site or the Hotel and shall be explicitly included in all contracts or subcontracts of whatsoever tier by all contractors and subcontractors; provided that the total project value is in excess $25,000.00. In the event a dispute arises with respect to the applicability of the PLA to a particular project, the parties agree to submit said dispute to final and binding arbitration before an arbiter who shall be mutually agreed to by the parties.

(e) Labor Peace Agreement. Manager has an ongoing obligation to comply with the Labor Peace Agreement ("LPA") Ordinance, MCC 10-36-210.

4.4 Limitations on Manager's Authority

The following provisions shall constitute additional restrictions or limitations on the rights and authority of Manager hereunder:

(a) Manager shall have the right to engage in collective bargaining with the bargaining representative or representatives of Hotel Employees, and to enter into collective bargaining agreements; provided that first Manager shall advise Owner of the status of such collective bargaining negotiations and consult with

Owner with respect thereto and shall, in good faith, take into consideration Owner's existing collective bargaining agreements, suggestions and recommendations, and, if it rejects an Owner suggestion or recommendation, shall promptly provide an explanation of the reason for such rejection. Representatives of Owner shall be entitled to confer on an immediate basis with the person or persons selected by Manager to negotiate with representatives of a labor union during the course of any labor negotiations. In addition, Owner may bring to Manager's attention any concern or complaint arising from Manager's conduct of labor relations at the Hotel. In such event, Manager shall, as promptly as possible, arrange for Manager representatives with requisite knowledge and remedial authority to meet with Owner or its representative and thereafter promptly provide Owner with a comprehensive explanation of the steps Manager intends to take to address the matter.

(b) Owner may, at Owner's election, have the sole power and authority for final settlements on any property insurance claims (excluding business interruption) which (i) arise prior to the Opening Date, or (ii) arise after the Opening Date and involve amounts in excess of One Million Dollars ($1,000,000) for the Hotel and any condemnation awards regardless of amount. The amount of $1,000,000 set forth in the preceding sentence shall be subject to increase to correspond proportionately to any increases in the CPI between the Opening Date and the date of the settlement of such claims or awards.

(c) Owner shall have the right to approve the institution or defense of any legal or equitable proceedings with respect to the Hotel, or any portion thereof, including the selection and retention of counsel or other consultants, litigation strategy and settlement negotiations, as well as the budget for the fees and costs thereof, other than for (i) matters for which an insurer has expressly assumed defense obligations; (ii) routine collection and employee related litigation (other than Equal Employment Opportunity ("EEO") related litigation that is not covered by employment practices liability insurance where Owner shall have the right to approve the settlement negotiations where the settlement amount is One Hundred Thousand Dollars ($100,000) or more) and similar matters involving ordinary day-to-day operations of the Hotel for which the amount of damages sought thereunder does not exceed Five Hundred Thousand Dollars ($500,000) in each case subject to proportionate increase corresponding with any increases in the CPI between the Opening Date and the date Manager intends to institute or begin the defense of such proceeding; (iii) matters where Manager or any of its Affiliates is named in such claim or matter (subject to the provisions of Sections 10(e) and 11(h) as applicable, and provided that Manager shall reasonable consult with Owner with respect to such matters); (iv) matters involving the Hotel and one or more other hotels managed by Manager or its Affiliates or the business practices of Manager or its Affiliates applicable to the Hotel and multiple other hotels (it being understood and agreed that Manager has the authority to control the institution, defense, and legal strategy, including settlement, of any such matters); (v) disputes with third parties relating to any Manager Intellectual Property; (vi) matters for which Manager is obligated to

indemnify Owner or other indemnified parties pursuant to Section 10 hereof, with respect to which Owner shall have the rights set forth in Section 10(e) and Section 11(h); and further provided that Owner's rights under this Section 4.4(c) are subject to Manager's rights set forth in Section 11(f) and Section 11(h). Manager shall provide to Owner a quarterly summary identifying the following unresolved litigation matters filed against Manager, Owner (of which Manager has been notified or of which Manager otherwise has knowledge) or the Hotel, in each case related to the operations of the Hotel: (i) insured litigation matters that involve an amount in controversy in excess of One Million Dollars ($1,000,000), subject to proportionate increase corresponding with any increases in the CPI between the Opening Date and the date of such summary, and (ii) uninsured litigation matters that involve an amount in controversy in excess of Five Hundred Thousand Dollars ($500,000), subject to proportionate increase corresponding with any increases in the CPI between the Opening Date and the date of such summary (collectively, "Reportable Matters"). Subject to Section 10(e), the costs of the foregoing, including any judgments or settlements, and the reasonable cost of counsel engaged by Manager to defend itself in connection with legal proceedings with respect to the Hotel shall be an Operating Expense of the Hotel. Notwithstanding the foregoing, Manager shall provide prompt notice to Owner of any material litigation after Manager becomes aware of such litigation.

(d) Manager shall include in the monthly financial statements the premiums and self-insured retentions or deductibles charged by Manager to the Hotel each month. At Owner's reasonable request, Manager also shall provide a standard Owner loss run.

(e) Manager and its Affiliates, on behalf of Owner with respect to the Hotel, shall not, with actual knowledge, employ or contract with Persons identified on the list of "Specially Designated Nationals or Blocked Persons" (defined below) maintained by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"). Manager will immediately notify Owner in writing promptly if Manager knows of any non-compliance with the foregoing covenant. Notwithstanding anything to the contrary in this Agreement, Manager shall have the responsibility to comply with the OFAC requirements, and shall not, with actual knowledge, enter into any contract on behalf of Owner with respect to the Hotel with any Specially Designated National or Blocked Person or an entity in which a Specially Designated National or Blocked Person has an interest. For purposes hereof, "Specially Designated National or Blocked Person" means (i) a person or entity designated by the U.S. Department of Treasury's OFAC from time to time as a "specially designated national or blocked person" or similar status, (ii) a person or entity described in Section 1 of U.S. Executive Order 13224, issued on September 23, 2001, (iii) a person or entity otherwise identified by government or legal authority as a person with whom either Owner or Manager is prohibited from transacting business, or (iv) a person or business entity that has been debarred doing business with the City. A list of such federal

designations and the text of the Executive Order are published at www.ustreas.gov/offices/enforcement/ofac.

4.5 Scope of Authority/Manager's Duties

Without in any way limiting the generality of the provisions of Section 2 and Section 4.1 (except as expressly limited by 4.4 above or by any other provision of this Agreement), Manager agrees as follows:

(a) Manager shall develop, implement, update on a regular basis, and supervise the application of sound administrative practices; operational policies (including credit card policies); forecasting, quality control, and labor management procedures and policies; and sales, marketing, advertising, personnel and purchasing programs consistent with its obligations contained herein to operate the Hotel in a professional, businesslike and efficient manner with the primary purpose of maximizing the Hotel's long-term (i) profitability, (ii) value in a manner consistent with the Brand Standards, and (iii) customer service, subject to the terms of this Agreement. Therefore, in accordance with the foregoing and subject to the terms of this Agreement, Manager agrees to work with the Owner to enhance the overall operating efficiency of the Hotel.

(b) Manager agrees to establish, implement and supervise, as agent for Owner, as described in Section 1.1, the accounting, labor management, forecasting, quality control, inventory and cost control systems reasonably necessary for the professional, businesslike and efficient operation and maintenance of the Hotel. Manager shall maintain control over any records pertaining to the acquisition and disposition of all FF&E and of all operating supplies and expendables used in the operation of the Hotel, in accordance with the Brand Standards.

(c) Intentionally omitted.

(d) Manager shall, subject to the collectability thereon, on behalf of Owner, collect, deposit in the Hotel Accounts, and account for all applicable excise, sales and use taxes or similar governmental charges required to be collected by the respective Hotel directly from patrons or guests, or as part of the sales price of any goods, services or displays, such as gross receipts, admission or similar or equivalent taxes ("Sales & Use Taxes"). Manager shall remit the Sales & Use Taxes from the Hotel Accounts, to the extent of the availability of funds from time to time therein, promptly to proper governmental authorities.

(e) Manager shall use commercially reasonable efforts to maximize patronage of the Hotel's facilities and the Hotel's long-term (i) profitability and (ii) value in a manner consistent with the Brand Standards, subject to the terms of this Agreement. Manager will consult with Owner regarding the marketing plan and consider Owner comments in good faith regarding ways to improve transient and group business at the Hotel.

(f) Manager shall use all commercially reasonable efforts to collect all charges, rents and other amounts due from guests, patrons and Hotel tenants, subtenants, parties providing exclusive services and concessionaires; cause notices to be served upon such guests, patrons, tenants, subtenants, parties providing exclusive services and concessionaires to quit and surrender space occupied or used by them where desirable or necessary and in accordance with agreements with such guests, patrons, tenants, subtenants, parties and concessionaires; ask for, demand, collect and give receipts for all charges, rents and other amounts which may at any time be due from any guest, patron, tenant, subtenant, party and concessionaire;

(g) Intentionally omitted.

(h) Manager shall operate the Hotel in accordance with Section 4.1 hereof and otherwise subject to the terms of this Agreement.

(i) Manager shall negotiate, enter into and administer in the name of and as agent for Owner contracts for the use of banquet and meeting facilities and guestrooms by groups and individuals. Manager shall work with Owner to accommodate conferencing and lodging requirements and logistics at the Hotel, and shall coordinate functions so as to take advantage of the facilities of both the Existing Hotel and the New Hotel (in the event the Parties enter into the Possible New Hotel Management Agreement).

(j) Manager shall supervise and purchase, or arrange for the purchase, of all supplies and inventory that are necessary to operate and maintain the Hotel in accordance with the Brand Standards, and for use in the management, operation and maintenance of the Hotel.

(k) Manager shall coordinate on-site parking services, through Owner's third party contractor, in accordance with parking rates established under Municipal Code Section 10-36-330, as applicable. Manager shall, in the name of and as agent for Owner, enter into such agreements as may be necessary or desirable to provide for on-site car rental services. Manager shall, in the name of and as agent for Owner, enter into such agreements as may be necessary or desirable to provide for luxury car services for on-site drivers.

(l) Manager shall provide, directly or through a third party contractor, a personal shopper for passengers and shall coordinate such service with the Owner and the concessionaires operating at the Airport.

(m) Manager shall use good faith efforts in accordance with Section 1.6 and subject to the other terms of this Agreement to operate the Hotel in a sustainable manner consistent with the Owner's Sustainable Airport Manual, as amended from time to time, and its other environmental policies and any LEED certification relating to the Hotel.

(n) Manager shall establish or institute, comply with, and provide to the Owner (or its designated outside counsel) the Brand Standards and provide all services consistent with the Brand Standards consistent with its obligations in Section 4.1 and subject to the terms of this Agreement.

(o) Manager covenants that no complimentary or discounted services, products or rooms will be provided at the Hotel other than in a manner consistent with its policies generally for the Brand Hotels and shall take into consideration the Airport's peak usage.

4.6 Limitations on Manager's Duties

In no event shall there be a presumption that Manager is in breach of its duties under this Agreement, or otherwise at law or in equity, solely by reason of (a) the failure of the financial performance of the Hotel to meet Owner expectations or income projections or other matters included in the Annual Budgets, (b) the institution of litigation or the entry of judgments against Owner or the Hotel with respect to the operations of such Hotel, or (c) any other acts or omissions not otherwise constituting a breach of this Agreement, it being the intention and agreement of the Parties that Manager's sole obligation hereunder shall be to act in conformity with the standard of skill and diligence referred to in Section 4.1, in conformity with the Brand Standards, and otherwise in conformity with the express terms of this Agreement.

Owner and Manager agree that in each instance in this Agreement where Manager is required or entitled to review or approve plans, or specifications, no such review or approval shall imply or be deemed to constitute an opinion by Manager, nor impose upon Manager any responsibility for the design or construction of building elements including, but not limited to, structural integrity, life/safety requirements, or the compliance with environmental laws, it being acknowledged that any such reviews and approvals by Manager are for the sole and exclusive benefit of Manager (and may be waived by Manager if it so chooses) and may not be relied upon by any other person.

Notwithstanding any contrary provision of this Agreement, Manager shall be excused from its obligations to operate a Hotel in conformity with the Brand Standards and from its other obligations under this Agreement, to the extent and whenever Manager's compliance with such obligations is prevented or restricted by (i) the occurrence of a Force Majeure Cause (as defined in Section 4.9), (ii) an insufficiency of funds available to Manager in the Hotel Accounts, (iii) the revocation of or refusal to grant licenses or permits by the applicable governmental entity, unless such revocation or refusal is due to any act or failure to act by Manager where Manager is required to act under this Agreement, or (iv) any breach by Owner of any obligations under this Agreement, including, without limitation, a breach of Owner's obligations under Section 8.1 hereof, that impairs Manager's ability to operate the respective Hotel in conformity with the Brand Standards or to perform any other Manager obligations hereunder, (v) to the extent and whenever there is herein provided a limitation upon Manager's ability to expend funds in respect of the Hotel (for example, the limitations contained in this Agreement respecting Owner's rights to approve budget line items and modifications thereto and monies available for the replacement of, and additions to, Furnishings and Equipment and Major Refurbishing Programs), and (vi) Manager's obligations with respect to Sections 15, 7.2, 29 and 31.15, provided that Manager can

reasonably demonstrate that it is precluded from meeting such standard by reason of any of the foregoing.

4.7 Leases and Concessions

Manager shall not, without the approval of Owner (which approval may be granted or withheld in its sole and unrestricted discretion), arrange leases or concessions for any Hotel operations, any restaurant or food service operations or for any other business use in or about the Hotel except as provided in Section 2.7.

Manager shall assist the Owner from time to time in the review, revision and implementation of a plan for the use of concession and lease space in the Hotel. Manager shall, during the Term, use reasonable efforts to perform, as agent for Owner, as described in Section 1.1, all of the obligations of Owner as landlord or concessionaire under all present or future leases and concessions made or granted with respect to the Hotel.

Manager shall use commercially reasonable efforts to collect all rents and other sums falling due during the Term under any present or future lease or concession, and shall deposit the same promptly on receipt on a daily basis in the Hotel Accounts.

4.8 Bank Accounts

4.8.1 Creation of Funds and Accounts

Manager shall establish and maintain bank accounts in the name of Owner under Owner's Tax Identification Number at a banking institution or institutions mutually selected by Owner and Manager (collectively, the "Hotel Accounts"). Manager shall deposit in the applicable Hotel Accounts all monies furnished by Owner as working funds under Section 4.8.5 and all monies received from the operation of the Hotel, and shall disburse the same for the purposes set forth in Section 4.8.6; provided, however, subject to the requirements of Section 4.8.7, Manager may maintain such funds as it reasonably deems proper in house banks or in petty cash funds at the Hotel. All monies in the Hotel Accounts shall be solely the property of the Owner. Manager's designees shall be the only persons authorized to draw from the Hotel Accounts, and Manager may make deposits in all Hotel Accounts, in accordance with the terms of this Agreement and Manager's standard accounting policies and practices. Manager's designees who are authorized to draw from the Hotel Accounts shall be bonded or insured. Funds in Hotel Accounts shall be invested either in money market funds or in overnight sweep accounts provided by the bank in which the Hotel Accounts are established, with the goals of obtaining the highest possible yield with the least risk and preservation of capital. Manager shall establish controls to ensure accurate reporting of all transactions involving the Hotel Accounts. Unless due to Manager's Gross Negligence or Willful Misconduct, any loss suffered in the Hotel Accounts, or in any investment of funds into any such account, shall be borne by Owner, and Manager shall have no liability or responsibility therefor. Manager shall provide Owner with its investment policy and provide Owner an opportunity to object to any such investments.

4.8.2 Reserved

4.8.3 FF&E Reserve

(a) Establishment of FF&E Reserve. From the revenues from the operation of the Hotel, or with funds provided by Owner under Section 4.8.5, Section 4.8.3(e), or otherwise, Manager shall establish and maintain a reserve (the "FF&E Account"). All monies in the FF&E Account shall be solely the property of Owner.

(b) Contribution to FF&E Account. Concurrently with the delivery of the monthly reports required under Section 8.4(a), Manager shall deposit into the FF&E Account an amount equal to a percentage of the preceding month's Gross Receipts, as follows:

Full Fiscal Year	% of Gross Receipts
First (and preceding short Fiscal Year)	1%
Second	2%
Third	3%
Fourth and thereafter	4%

The foregoing amounts are minimums and do not represent the amounts which may be necessary to operate and maintain the FF&E according to the Brand Standards, and the Capital Budget approved by Owner and Manager may call for expenditures in excess of the amounts being reserved.

(c) FF&E Account. Manager shall maintain the FF&E Account in an interest-bearing Hotel Account. Interest earned on the FF&E Account shall be added to the FF&E Account, but shall not be credited against amounts required to be added thereto. Any amounts remaining in the FF&E Account at the end of each Fiscal Year shall be carried forward until fully expended, but shall not be credited against required contributions to the FF&E Account for any subsequent Fiscal Year. Proceeds from the sale of FF&E no longer in use in the Hotel will be added to the FF&E Account, but shall not reduce the FF&E Account contributions required under Section 4.8.3(b) and will not be included in Gross Receipts.

(d) Use of FF&E Account

(i) Manager will apply funds on deposit in the FF&E Account to cover the costs of replacement of and additions to FF&E and other Capital Expenditures for the Hotel in accordance with the requirements set forth in this Agreement. Subject to Section 4.8.7, Manager shall have sole access to and control of the FF&E Account and withdrawals shall be made only by Manager's representatives whose signatures have been authorized. Owner will execute any necessary documents required to authorize Manager's representatives as signatories or to otherwise enable Manager to administer the FF&E Account,

promptly and without condition. Manager shall be permitted to make payment to cover the costs of replacement of and additions to FF&E from the other Hotel Accounts and reimburse the other Hotel Accounts from the FF&E Account. Manager shall also be permitted to apply funds on deposit in the FF&E Account as otherwise permitted in this Agreement, including in accordance with Section 1.5.2(c), Section 4.8.5(b)(iv), Section 7.3, and Section 25.10.

(ii) Subject to Section 1.5.2(c) and except as otherwise provided in Section 4.8.5(b)(iv), Section 7.3, and Section 25.10, Manager shall be permitted to expend from the FF&E Account an amount equal to the balance available to Manager from the FF&E Account in accordance with the annual Capital Budget prepared by Manager and approved by Owner, on a line-item by line-item basis, for the purpose of paying the cost of replacements of, and additions to, FF&E reasonably deemed by Manager to be necessary or desirable for the business of the Hotel (an "FF&E Expenditure") and any other Capital Expenditures. All such items of FF&E so replaced or added shall be and become, forthwith upon acquisition and installation and without further act or action, the sole property of Owner and part of the Hotel.

(iii) Except to the extent permitted pursuant to Section 1.5.2(c), Manager shall have no right or authority to incur an FF&E Expenditure or other Capital Expenditure in connection with any Major Refurbishing Program, without the prior written approval of Owner. For purposes hereof, a "Major Refurbishing Program" shall mean (x) the refurbishing, as part of a single program of refurbishing, involving ten percent (10%) or more of guest rooms and suites in the Hotel; (y) the refurbishing, as part of a single program of refurbishing, of not less than ten percent (10%) (in square footage) of the public space in the Hotel (that is, lobby, meeting rooms, banquet rooms and pre-function areas); or (z) any change in the theme of any restaurant or lounge in the Hotel.

(iv) Except as permitted pursuant to Section 1.5.2(c), Manager shall not, without the approval of Owner, incur any FF&E Expenditure or other Capital Expenditure in excess of the balance of the FF&E Account (even if a larger amount is contained in the approved Capital Budget for the applicable Fiscal Year) and, notwithstanding anything else to the contrary in this Agreement, Manager's obligations with respect to maintaining the Hotel in accordance with the Brand Standards shall be excused to the extent that either the amount permitted to be expended hereunder or the amount in the FF&E Account is, in the reasonable judgment of Manager, inadequate to meet such obligations, unless Owner, in its sole discretion, furnishes sufficient funds to meet such obligations. As provided in Section 1.5.1, Manager will prepare and submit to Owner for its approval a detailed Capital Budget in a mutually agreeable format for expenditures from the FF&E Account during the next Fiscal Year.

(e) Additional Contributions. The Parties hereto agree that Owner shall have the right, but not the obligation (except as otherwise expressly set forth in Section 1.5.2(c), Section 4.8.5(b)(iv), and otherwise herein), to contribute additional amounts into the FF&E Account at any time, from time to time, and in any amount.

4.8.4 Operating Reserve.

(a) Establishment of Operating Reserve. From funds provided by Owner under Section 4.8.4(b) or otherwise and from the Gross Receipts from the operation of the Hotel, Manager or its Affiliate shall establish and maintain a single operating reserve account for the benefit of the Hotel (the "Operating Reserve"). In the event the Parties enter into the Possible New Hotel Management Agreement, such Operating Reserve shall also be funded from funds provided by Owner under the Possible New Hotel Management Agreement and from the Gross Receipts from the operation of the New Hotel, and the Operating Reserve shall be for the benefit of both Hotels. For the avoidance of doubt, the Operating Reserve shall only be maintained as a single operating reserve account for the benefit of both Hotels for so long as both Hotels are owned by Owner and are operated by Manager or its Affiliates.

(b) Initial Funding of Operating Reserve. On or before the date that is thirty (30) days before the Opening Date, Owner shall provide initial funds of $12,000,000 to the Manager to be deposited to into the Operating Reserve (the "Hilton Initial Operating Reserve Amount"). On or before the date that is thirty (30) days before the anticipated Opening Date of the New Hotel, Owner shall provide an additional $6,750,000 (collectively, the "Conrad Initial Operating Reserve Amount"), to the Possible New Hotel Manager, to be deposited into the Operating Reserve, in the event the Parties enter into the Possible New Hotel Management Agreement.

(c) Contribution to Operating Reserve. The Hilton Initial Operating Reserve Amount, increased annually by the percentage increase in the Hotel's Operating Expenses in the Annual Budget for the Hotel compared to the Annual Budget for the Hotel for the prior Fiscal Year, is referred to herein as the "Hilton Operating Reserve Minimum". The Conrad Initial Operating Reserve Amount, increased annually by the percentage increase in the New Hotel's Operating Expenses in the Annual Budget for the New Hotel compared to the Annual Budget for the New Hotel for the prior Fiscal Year, is referred to herein as the "Conrad Operating Reserve Minimum". The Hilton Operating Reserve Minimum and the Conrad Operating Reserve Minimum are referred to collectively as the "Operating Reserve Minimum". If the amount on deposit in the Operating Reserve falls below the Operating Reserve Minimum, then each month, concurrently with the delivery of the monthly reports required under Section 8.4(a), Manager shall deposit into the Operating Reserve an amount equal to four percent (4%) of the preceding month's Gross Receipts, until the amount in the Operating Reserve is equal to the Operating Reserve Minimum.

(d) Operating Reserve Account. The Operating Reserve shall be maintained in an interest-bearing Hotel Account that may be accessed by Manager and, in the event the Parties enter into the Possible New Hotel Management Agreement, by the Possible New Hotel Manager; if applicable, Manager and the Possible New Hotel Manager will establish an arrangement as may be necessary to allow such access. Interest earned on the Operating Reserve shall be added to the Operating Reserve, and shall be credited against amounts required to be added thereto. Any amounts remaining in the Operating Reserve at the end of each Fiscal Year shall be carried forward until fully expended.

(e) Use of Funds in Operating Reserve. All amounts on deposit in the Operating Reserve shall be available to (i) Manager exclusively for the payment of Operating Expenses (including, without limitation, Management Fees), Employee Costs and other reimbursements due to Manager hereunder, for funding working capital in accordance with Section 4.8.5, and for the purposes set forth in Section 1.5.2(c), Section 11(k) and Section 27, and for all other provisions in the Agreement pursuant to which Owner is required to provide funds, in each case subject to the terms and provisions of this Agreement and to (ii) the Possible New Hotel Manager for the purposes to be set forth in the Possible New Hotel Management Agreement.

4.8.5 Working Funds.

(a) Owner shall provide initial working funds to Manager no later than thirty (30) days prior to the Opening Date, to be deposited into the Hotel Accounts, in an amount not less than $1,500 multiplied by the total number of guest rooms in the Hotel.

(b) Thereafter,

(i) Manager shall be permitted to use funds on deposit in the Operating Reserve sufficient to ensure the uninterrupted and efficient operation of the Hotel in accordance with this Agreement and Brand Standards, including sufficient funds to pay all of the items described in Section 4.8.6. Manager will use good faith efforts to notify Owner of the need for use of the Operating Reserve ten (10) business days in advance of such use and in any event will promptly notify Owner following withdrawal of any funds from the Operating Reserve.

(ii) If Manager forecasts the need for additional working funds and reasonably anticipates that such funds will not be available from the Operating Reserve, Owner shall provide working funds, to be deposited into the Hotel Accounts within thirty (30) days of a written request by Manager stating the amount required and the necessity therefor, sufficient to ensure the uninterrupted and efficient operation of the Hotel in accordance with this Agreement and the Brand Standards, including sufficient funds to pay all of the items described in Section 4.8.6; provided, however, that Owner's obligation to provide funds as

required in this Section 4.8.5(b)(ii) is subject to the limitations set forth in Section 27 hereof.

(iii) Manager shall be excused from performance of any obligation under this Agreement and from any Liabilities (other than those Liabilities expressly required under this Agreement to be paid from Manager's own funds) to the extent prevented by the failure of Owner to provide sufficient funds necessary to perform such obligation and operate the Hotel in accordance with this Agreement.

(iv) If Owner fails to deposit in the Hotel Accounts the funds requested by Manager on a timely basis, Manager shall have the right, without limitation of Manager's other remedies under this Agreement, to apply funds from the FF&E Account. Manager's right to so use funds in the FF&E Account shall not excuse Owner's failure to provide funds on a timely basis. In such event, Manager shall notify Owner and Owner shall replenish the funds withdrawn from the FF&E Account upon the earlier of (x) immediately to the extent such funds are then required to fund FF&E Expenditures and Capital Expenditures in accordance with this Agreement, or (y) thirty (30) days after such notification. In addition, Manager may (but is not obliged to) use or pledge its credit or advance its own funds to make ordinary and customary purchases of goods and payments for services for the Hotel on Owner's behalf, in which event: (A) Owner shall pay for such purchases when payment is due and shall indemnify and defend Manager against all Liabilities that may be incurred by or asserted against Manager by reason of Owner's failure to pay for such purchases; and (B) any advances by Manager shall be due and payable on demand, together with interest at the rate specified in Section 13. Owner's obligation to provide funds as required in this Section 4.8.5(b)(iv) is subject to the limitations set forth in Section 27 hereof.

(v) In the event that Manager applies funds from the Operating Reserve pursuant to this Agreement, Owner and Manager agree to meet within 15 days after Manager has notified Owner of the use of such funds to discuss in good faith the reasons for the use of such funds, updated forecasts for the Hotel's performance (which Manager will endeavor to provide in advance of such meeting), and any potential means and methods which may be undertaken to continue the operation of the Hotel in accordance with Brand Standards and this Agreement. Notwithstanding the foregoing, in no event shall Manager be required to advance any funds or waive any of its rights or remedies hereunder, including the right to terminate this Agreement under Section 3.5, in the event that Owner fails to comply with Section 4.8.5(b)(ii) hereof or there are insufficient funds to operate the Hotel in accordance with Brand Standards and this Agreement.

4.8.6 Expenditures.

(a) Operating and Other Expenses. Manager covenants and agrees that it will apply the funds on deposit in the Hotel Accounts from time to time only to the items set forth in clauses (i) through (vii) below. Any cost, expense paid, or service, goods or other items obtained by payments from the Hotel Accounts are and shall be deemed to be the property of or for the benefit of Owner. Manager is authorized to pay all expenses incurred in connection with the operation of the Hotel from the Hotel Accounts (or, if appropriate, from house banks or petty cash funds available at the Hotel), in such order of priority determined by Manager in its sole discretion, including the following:

(i) the Management Fees, the Chain Services Fee, the Direct Deductions, Employee Costs, reimbursements for any advances made by Manager and its Affiliates in accordance with Section 4.8.6(b), Section 8.1(c) or other provisions of this Agreement, and any other amounts due to Manager and its Affiliates under this Agreement;

(ii) all costs and expenditures incurred or made in connection with the authorized items under Section 2, 4.1 and Section 4.4 and all other expenditures which Manager is permitted or required to make under any other provision of this Agreement;

(iii) premiums for insurance maintained by Manager under this Agreement;

(iv) all other Operating Expenses;

(v) deposits into the FF&E Account;

(vi) deposits into the Operating Reserve;

(vii) as set forth in Section 1.5.2(c), Section 11(h), Section 25.2, Section 25.9 and Section 25.10.

(b) Manager shall not be required to make any advance or payment with respect to the Hotel, except out of the funds available in the Hotel Accounts, and Manager shall not be obligated to incur any independent liability or obligation with respect to the Hotel, but is permitted to do so and if such advances are made, Manager is authorized to reimburse itself from the Hotel Accounts.

(c) Distributions to Owner. Subject to the working funds requirements of Section 4.8.5, Manager shall distribute excess funds from the Hotel Accounts to Owner upon Owner's request but no more frequently than monthly.

(d) On a periodic basis (weekly, bi-weekly, etc.), Manager shall provide to Owner and, upon written request, any Lender a bank statement listing disbursements of Operating Expenses paid from the Hotel Accounts during the period. Payment of the Operating Expenses, which include but are not limited to Management Fees,

the Services Fees, and all reimbursements due Manager under Section 8.1(c), will be senior to other payments as provided above.

4.8.7 Cash Management Upon Bond Financing

In the event that Owner elects to finance the Hotel through proceeds of Bonds as contemplated in Section 31.13 of this Agreement, Manager acknowledges that the Indenture trustee may desire to provide for certain cash management obligations in the Indenture, in a separate cash management agreement and/or in related financing documents. Upon request, Manager will reasonably cooperate and negotiate with Owner and the Indenture trustee in connection with the structuring of such cash management arrangements. If permitted by the operating system of the bank and requested by Owner, Owner shall be provided with a "read-only" internet access to the Hotel Accounts permitting Owner to examine balances and activity in the Hotel Accounts but not permitting action affecting or relating to the deposit or withdrawal of funds in such Hotel Accounts. The Parties anticipate incorporating the following general parameters and concepts into the cash management provisions applicable during the duration of any Bond financing, and such parameters shall guide the Parties' negotiation with the Indenture trustee:

(a) Owner and Manager would cause a depository bank mutually selected by Owner and Manager to establish and maintain a deposit account (the "Lockbox Fund"). Subject to the working fund requirements of Section 4.8.5 and after payment of the amounts set forth in Section 4.8.6(a) owed for the preceding calendar month, Manager would periodically transfer from the Hotel Accounts for deposit into the Lockbox Fund all funds in excess of a to be agreed upon "peg balance" and those amounts being held for the payment on behalf of Owner for sales taxes, use taxes, occupancy taxes and other similar fees and charges imposed by any governmental entity on the provision of goods or services by or from the Hotel. To the extent amounts on deposit in the Hotel Accounts are insufficient to pay amounts then due as permitted to be paid therefrom in accordance with this Agreement, then Manager would have the right to withdraw amounts then on deposit in the Lockbox Fund for transfer to the Hotel Accounts in the amount of such insufficiency.

(b) The depository bank would periodically, e.g., monthly, distribute amounts on deposit in the Lockbox Fund to the Indenture trustee. Pursuant to the Indenture, the Indenture trustee would establish certain funds and accounts into which the Indenture trustee would deposit the amounts received from the depository bank. In addition to other matters, the Indenture would contain certain provisions for the funding of Operating Expenses (including Management Fees), FF&E Expenditures and Capital Expenditures, and other expenses for which sufficient funds are required to be provided under this Agreement. The order of priority or waterfall of the flow of funds through such accounts is subject to agreement of the Parties and the Indenture trustee at the time of the financing.

(c) If desired by the Indenture trustee, the Indenture trustee would hold the Operating Reserve and the FF&E Account required hereby, provided that (i) the Indenture

trustee would be required to make monthly deposits into such reserves as contemplated to be made by Manager pursuant to this Agreement, and (ii) the Indenture trustee would be required under the terms of the Indenture to make disbursements requested by Manager from the FF&E Account and the Operating Reserve within ten (10) days of request.

(d) None of the Operating Expenses, including, without limitation, the Base Fee, the Chain Services Fee or the Direct Deductions, shall be subordinate to debt service payments (provided, however, that Manager shall subordinate the monthly Incentive Fee payment due hereunder to the monthly payment of debt service on the initial Bonds issued to finance the renovation of the Hotel contemplated hereby (the "Initial Bonds"), or to the debt service on any Bonds issued to refund or refinance the Initial Bonds provided that the monthly debt service on such Bonds is less than or equal to the monthly debt service on the Initial Bonds, subject to accrual if not fully funded in any month).

(e) Any security interest in the Hotel Accounts shall be subject to the terms of this Agreement, and no security interest shall be granted in the payroll account.

(f) No security interest shall be given in business interruption proceeds to be used either for Hotel operations or allocated to Manager.

The above are intended to establish the framework for negotiations by Manager and Owner with the Indenture trustee with respect to Hotel cash management, but shall not be deemed to limit Manager's rights to approve the terms of any cash management agreement or to modify any provisions affecting Manager's rights and obligations hereunder.

4.9 "Force Majeure" Defined

"Force Majeure" or "Force Majeure Cause" shall mean any one or more events or circumstances beyond the reasonable control of the Party whose performance is affected thereby that, alone or in combination, adversely and materially affects the operation of the Hotel whether or not such events or circumstances occur geographically in a location remote from the Hotel, including, without limitation, casualties, war, invasion, insurrection, acts of terrorism, sabotage, failure of transportation, outbreak of disease, inability to procure or general shortage of labor, equipment, facilities, materials or supplies in the open market, actions of labor unions, and governmental actions (but excluding (i) causes which can be controlled by the reasonable expenditure of money in accordance with usual business practices, (ii) any conditions precipitated by Manager, and (iii) any conditions precipitated by Owner).

4.10 Food and Beverage Operations

As of the Effective Date, Owner and Manager anticipate that, as part of the City's ACDBE Program and Manager's obligations under Section 15.5, either the City will engage, or Manager, as agent for Owner, will engage, a third party proposed by Manager that is a qualified ACDBE to manage and operate food and beverage operations at the Hotel (the "F&B Operator") commencing as of the Opening Date. The parties anticipate that the F&B Operator's role will be

to manage and operate all food and beverage operations at the Hotel, including full service restaurants, bars, and other food and beverage concessions, banquet services and room service.

Manager agrees that the City has the right to directly engage the F&B Operator to manage and operate food and beverage operations at the Hotel provided that (i) the F&B Operator is an entity proposed and/or approved by Manager, (ii) such arrangement (and all the Gross Receipts attributable to the F&B Operator) will fully contribute towards Manager's obligations under Section 15.5, and (iii) the terms and conditions of any agreement or engagement governing the Hotel's food and beverage operations by the F&B Operator shall be subject to Manager's prior written approval, which shall not be unreasonably withheld, conditioned or delayed.

If the City does not directly engage the F&B Operator, Manager shall have the right, as agent for Owner, to engage the F&B Operator to manage and operate food and beverage operations at the Hotel, provided that (i) the F&B Operator is subject to Owner's approval, not to be unreasonably withheld, conditioned or delayed, and (ii) the agreement between the F&B Operator and Manager, as agent for Owner (the "F&B Operations Agreement"), shall be subject to Owner's approval, not to be unreasonably withheld, conditioned or delayed, it being agreed that it shall be reasonable for Owner to withhold, condition or delay its consent to such agreement if Owner reasonably determines, upon advice from Owner's Bond Counsel, that such agreement does not comply with QMA Guidelines. The F&B Operations Agreement shall be subject to the ACDBE requirements of Section 15.5 and of applicable federal law, but may not be required to be competitively bid.

Section 5. MANAGEMENT FEES AND REMITTANCES TO OWNER

5.1 Management Fees

As consideration for Manager's services during the Term, Owner shall pay to Manager a management fee (the "Management Fee") equal to the sum of the Basic Fee and the Incentive Fee.

5.1.1 Basic Fee

The "Basic Fee" shall be two percent (2%) of Gross Receipts for each Fiscal Year.

5.1.2 Incentive Fee

The "Incentive Fee" shall be one percent (1%) of Gross Receipts for each Fiscal Year.

5.1.3 Place and Means of Payment

(a) Manager shall pay itself the amounts due it for the Basic Fee under Section 5.1.1 as an Operating Expense from the Hotel Accounts each month concurrently with the delivery of the monthly report under Section 8.4(a). The Basic Fee paid each month shall be the applicable percentage of the Gross Receipts as set forth in such monthly report. Manager shall pay itself the amounts due it for the Incentive Fee under Section 5.1.2 from the Hotel Accounts each month

concurrently with the delivery of the monthly report under Section 8.4(a) and the Incentive Fee paid each month shall be the difference between (x) 1% of the year-to-date Gross Receipts for the applicable Fiscal Year and (y) the aggregate of Incentive Fees paid year-to-date for the applicable Fiscal Year; provided, that such Incentive Fee shall be payable only to the extent that funds are sufficient in such month to provide for all Operating Expenses (other than the Incentive Fee), make the deposits to the FF&E Account and the Operating Reserve required hereunder, and, subject to agreement pursuant to Section 4.8.7, to provide for required payments of principal of and interest on the Initial Bonds. If there are insufficient funds in any month to pay the amount of the Incentive Fee due, then such difference shall accrue, bear interest until paid at the rate per annum set forth in Section 13 and be paid in subsequent months from funds available after making provision for the payments and deposits required in the preceding sentence; provided however, that all accrued and unpaid Incentive Fees shall be paid once each five (5) year period during the term hereof and upon expiration or termination hereof as an Operating Expense of the Hotel. The Basic Fee and the Incentive Fee paid each month shall be the applicable percentage of Gross Receipts as set forth in such monthly report. If the aggregate monthly Management Fees paid during a Fiscal Year either exceed or are less than the Management Fees shown in the annual report for such Fiscal Year, then Manager shall deposit into or withdraw the amount of such overpayment or underpayment, as the case may be, from the Hotel Accounts.

(b) All amounts shall be paid to Manager in United States dollars, in immediately available funds, without reduction for any value-added tax and any other similar charge required under the applicable laws of any applicable jurisdiction. If any gross receipts, sales, use, excise or similar tax that is based upon gross income or revenues is imposed upon Manager after May 23, 2017 for the receipt of any payments under this Section 5.1, then Owner shall also pay Manager an amount equal to such tax. If any gross receipts, sales, use, excise or similar tax that is based upon gross income or revenues is imposed upon the payment made pursuant to this Section 5.1, the amount due will be such that the net amount retained by Manager, after payment of such tax, equals the amount payable to Manager under Section 5.1 as if no gross receipts, sales, use, excise or similar tax had been imposed upon Manager for the receipts of any payments under this Section 5.1.

Section 6. BOOKS AND RECORDS; GROSS RECEIPTS; FF&E ACCOUNT

6.1 Books and Records

Manager shall keep full, complete and accurate books of account and other records reflecting the results of the operation of the Hotel. Such books and records shall, at all times, be kept in all material respects, in accordance with the Uniform System. The "Uniform System" shall mean the Uniform System of Accounts for the Lodging Industry (11th Revised Edition 2014) published by the American Hotel & Lodging Association, including any subsequent revisions to the Uniform System, except in calculating the Management Fee, the Chain Services

Fee, the Direct Deductions and other fees payable to Manager and its Affiliates under this Agreement and (b) whether a right to terminate exists under Section 3.4.2 (and, if so, the "cure" amount) for which the Parties shall rely on the Eleventh Revised Edition 2014. Such books and records (other than Manager Intellectual Property and Hotel Employee records) shall be and remain the property of Owner and shall be available at all reasonable times for inspection and copying by Owner and its Lenders, and by representatives of Owner and said Lenders. Manager agrees to provide reasonable and timely access to key personnel and information required by an asset manager or consultant working on behalf of Owner.

6.2 Definition of Gross Receipts

"Gross Receipts" during any period shall mean all revenues and income of any kind properly accrued during such period and derived, directly or indirectly, from the operation of the Hotel during such period including, without limitation, (a) all revenues derived from the sale during such period of rooms and food and beverages (without taking into account any costs incurred in respect of such sales); (b) all other revenues of all operating departments of the Hotel; and (c) all rents or fees payable by subtenants and concessionaires in respect of such period (but not the gross receipts of subtenants or concessionaires), provided that the net proceeds (after deduction of the expenses of adjustment and collection) of business interruption insurance or other similar insurance in respect of the Hotel shall be included only to the extent actually received during such period. Without limiting the generality of the foregoing, it is the intention of the Parties that the term Gross Receipts shall mean all amounts properly accounted for as Total Operating Revenue in accordance with, and as defined in, the Uniform System.

There shall be excluded in determining Gross Receipts for any period (a) any sales taxes, excise taxes, gross receipts taxes, bed taxes, tourism taxes, admission taxes, entertainment taxes or similar charges required by law to be collected from customers of the Hotel, as the case may be, and remitted to the appropriate taxing authorities; (b) any interest earned on funds held in the Hotel Accounts; (c) extraordinary receipts such as insurance and condemnation awards, loan or financing proceeds, contributions toward operating deficits and proceeds from the sale of the Hotel or capital assets, except to the extent such proceeds are actually paid by insurance or condemnation awards and measured by loss of profits or business interruption; (d) allowances, discounts, credits or refunds to guests; (e) gratuities paid directly to a Hotel's staff, lessees, tenants, licensees or concessionaires; (f) any items collected by the Hotel for others such as parking fees, the purchase of goods or services from lessees or concessionaires charged to guest ledger accounts, or amounts paid by guests or patrons to the Hotel to the extent the same are remitted or required to be remitted to the Owner in accordance with any applicable parking agreement or facilities agreement; (g) the value of any complimentary rooms, goods or services; (h) any sums or credit received by Owner for lost or damaged items; (i) security deposits and taxes, cost of maintenance and repairs payable by lessees, tenants, licensees, or concessionaires; and (j) any payments to "cure" a performance termination under Section 3.4.2(d). Notwithstanding the foregoing, for purposes of calculating Management Fees under Section 5.1, amounts described in the foregoing clause (f) shall not be excluded from Gross Receipts.

Section 7. REPAIRS AND CHANGES; LEGAL REQUIREMENTS; RETAINED RIGHTS OF CITY

7.1 Repairs and Maintenance

Except to the extent prevented by Force Majeure Causes and the unavailability of funds from Owner, Manager shall, throughout the Term, in accordance with Section 4.1 and subject to the other terms of this Agreement, take good care of the Hotel and maintain the same in good order and condition and make all repairs thereto as may be reasonably necessary to maintain the Brand Standards. The cost of such repairs, except for a Major Refurbishing Program, shall be an Operating Expense. Manager's responsibilities, as hereinabove stated in this Section, shall not, however, include any matters relating to the structural integrity of the Hotel, or other matters relating to defects in design, materials or workmanship in the construction of the Hotel (other than alterations or additions made by Manager pursuant to Section 7.3 or items of ordinary and routine repair and maintenance not affecting the structural integrity of the Hotel), which shall be the responsibility of Owner throughout the term of this Agreement. Furthermore, Manager shall not be responsible for making Capital Expenditures for (i) the Hotel building (including all roof coverings and exterior facades and any walkways and bridges and all structural elements of such building), or (ii) any building systems, such as mechanical, electrical, plumbing, heating, ventilating, air conditioning, sanitation, water treatment, sewer treatment and disposal, life safety systems, vertical transportation systems and other similar systems and items of equipment installed in or upon, and affixed to, the Hotel, unless specifically agreed upon by Manager and Owner.

7.2 Compliance with Legal Requirements

Except as elsewhere herein limited or excused, including, without limitation Section 30, and subject to Section 15.1, Manager shall, throughout the Term, ensure that the business being conducted at the Hotel complies with all statutes, ordinances, laws, rules, regulations, orders and requirements of any federal, state, county, or municipal government and appropriate departments, commissions, boards and officers thereof having jurisdiction over the Hotel, their use, manner of use or the maintenance and operation thereof, as well as with the orders and any requirements of any local board of fire underwriters or any other body which may exercise similar functions (the "Legal Requirements"), in each case as such Legal Requirements apply to the operation of the Hotel, and subject to the funds necessary for such compliance being available to Manager under this Agreement. If the cost of compliance is not a Capital Expenditure, the cost of compliance shall be an Operating Expense.

Subject to Section 4.4(c) and Owner's approval of any counsel or other consultants, Manager will defend any actions, suits or other proceedings alleging noncompliance with Legal Requirements. Owner or Manager may (but, in the case of Manager, only after approval by Owner if required under Section 4.4(c)) contest, by appropriate legal proceedings conducted in good faith, in the name of Manager or Owner, or both, as applicable, the validity or application of any Legal Requirements. Owner shall execute and deliver any appropriate documents (in a form satisfactory to Owner and only after approval of such contest by Owner if required under Section 4.4(c)) which may be reasonably necessary or proper to permit Manager to prosecute such contest. Owner may, by notice to Manager, request that Manager contest a Legal

Requirement, and if Manager determines in its reasonable discretion not to contest such Legal Requirement, Owner may contest directly such Legal Requirement.

7.3 Alterations and Additions

Except in order to comply with the Legal Requirements or Laws and except as herein provided, including Sections 1.5.1, 1.5.2, 4.8.3(d) and 7.1, Manager shall make no alterations, additions or improvements in or to the Hotel without the prior written approval of Owner (which approval may be withheld in Owner's sole discretion). Notwithstanding the preceding sentence, (a) in the event any alterations, additions or improvements, structural or nonstructural, shall be required in order that the Hotel be in compliance with applicable Legal Requirements or Laws, the same shall be the responsibility of Owner, and (b) Manager may (after prior written notice to and approval by Owner), from time to time during the Term, make alterations, additions or improvements thereto (which shall become part thereof for the purposes of this Agreement) in order to improve the operation of the Hotel, out of funds then on deposit in the FF&E Account.

7.4 Right to Enter, Inspect and Repair

The City, its authorized employees, agents, contractors, subcontractors and other representatives shall have the right upon prior notice to Manager, which notice may be verbal (except in the case of emergency as determined by the City when no notice shall be required), to enter upon the Site for the following purposes, provided that the City shall coordinate with Manager to the extent practicable in scheduling such entries so as to minimize disruption to Hotel operations:

(a) To inspect to ascertain the condition of the Hotel and to determine Manager's compliance with the terms of this Agreement. The right of inspection shall impose on the City no duty to inspect and shall impart no liability upon the City for failure to inspect.

(b) To perform Self-help pursuant to and in accordance with Section 3.10, including to perform maintenance and make repairs and replacements in any event where Manager is obligated to do so under this Agreement and has failed to perform such obligation following any applicable notice and cure periods provided for in this Agreement, and thereafter to diligently complete such obligations, repairs or replacements, or at any time upon notice to Manager (or without written notice in the event of emergency), in the event that the City, in its sole discretion, deems that it is necessary or prudent to do so to preserve all or any part of the Hotel from damage or to correct any condition likely to lead to injury or damage.

(c) To perform any obligation of the City under this Agreement and to make additions, alterations, maintenance and repairs to the Hotel and any other areas on the Airport.

In the event such entry is made during non-standard business hours, a representative of Manager shall be present, except in the case of an emergency when no such representatives shall be required to be present. Nothing contained in this Section shall prohibit, or diminish the right of, the City to enter the Site or the Hotel at any time and conduct, without notice to Manager,

inspections or audits as set forth in this Agreement to determine any Manager's compliance with this Agreement.

7.5 Accommodation of Airport Construction.

(a) Manager acknowledges that from time to time the City may undertake construction, repair or other activities related to the operation, maintenance and repair of the Airport that will require temporary accommodation by Manager with respect to the operation of the Hotel. In addition, the City reserves the right to permanently reconfigure the Airport and the Hotel as necessary to accommodate the construction of connections at the Airport or relocate or reconfigure the Airport roadways and other facilities. The City agrees to use reasonable efforts to minimize disruption in Manager's operation of the Hotel during such period of construction. Without limiting the generality of the foregoing, the City may temporarily or permanently close, alter, change, modify and/or relocate any entrances, passageways, doors and doorways, corridors, elevators, escalators or other parts of the common areas; and the City may at any time and from time to time make such changes, alterations, additions, improvements, repairs or replacements in or to the Airport, as well as in or to the entrances, passages, elevators, escalators, and stairways thereof; as it may deem necessary or desirable, and to change the arrangement and/or location of entrances, passageways, doors and doorways, and corridors, elevators, stairs, rest rooms, or other public parts of the common areas or the Airport, and may stop or interrupt any service or utility system, when necessary by reason of accident or emergency or construction work until the necessity for the interruption or stoppage has ended. The City will endeavor to give Manager advance notice of such work whenever possible (except in the case of an emergency, in which case no notice shall be required), and if such work involves temporary closure of the Hotel or a portion thereof, Owner shall in any event give Manager notice as required by Section 7.5(c).

(b) Manager further acknowledges that such improvements may require substantial construction work in the Airport during normal business hours, which may disrupt Manager's operation of the Hotel and create noise, dust and other concomitants of construction work. Manager agrees that it shall have no right, except as expressly provided herewith, to any compensation or to any claim for loss of business or inconvenience, or in any event for consequential damages on account of any such construction work, and without incurring any liability to Manager or otherwise affecting Manager's obligations under this Agreement. Manager agrees to accommodate the City in such activities even though the Manager's own operations may be inconvenienced or partially impaired.

(c) In the event the City elects to exercise its rights under this Section 7.5 to close any portion of the Hotel (other than during the initial renovation of the Hotel), which closure would have an adverse revenue impact on the Hotel of more than ten percent (10%) (including, for example, but without limitation, a closure of guest rooms resulting in an adverse revenue impact on the Hotel of more than

10%), the City shall give Manager four (4) months' advance written notice of the City's intent to temporarily close such portion of the Hotel. In the event the City elects to exercise its rights under this Section to close any portion of the Hotel that would not have an adverse revenue impact on the Hotel, it shall give Manager not less than sixty (60) days (except in the case of an emergency in which case no notice is required) advance written notice of the City's intent to temporarily close such portion of the Hotel. The applicable notice shall describe the portion of the Hotel to be closed and the anticipated duration of the closure. In the event of any such closure, the compensation to be paid to and duties to be undertaken by the Manager shall be equitably adjusted.

7.6 Eminent Domain.

Nothing in this Agreement shall be construed to limit any of the City's rights to acquire property by eminent domain.

Section 8. GENERAL COVENANTS OF MANAGER AND OWNER

8.1 Working Capital

(a) Consistent with the approved Annual Budget for operation of the Hotel, Owner shall, at all times during the Term, make provision so that the Hotel Accounts have, each Business day, on deposit, an amount equal to the Operating Reserve Minimum set forth in Section 4.8.4(c). Owner believes that such amount on deposit in the Hotel Accounts is reasonably anticipated to, at all times, be sufficient to assure the timely payment of all current liabilities of the Hotel (including Manager's Basic Fee and Incentive Fee), the uninterrupted and efficient operation of the Hotel at all times during the Term and to permit the performance by Manager of its other obligations to manage the Hotel consistent with the standards set forth hereunder; it being understood, however, that Owner shall be obligated to fund the Hotel Accounts in accordance with Section 4.8 hereof.

(b) Manager covenants to maintain prudent and commercially reasonable cash management policies, consistent with considerations of seasonality and short-term operating needs, subject to Section 4.8. Owner shall comply with all applicable Laws including, without limitation, the procurement of all liquor and other licenses required to meet the requirements of such Laws. Manager covenants to cooperate with Owner and to provide to Owner sufficient information, upon Owner's request, to enable Owner to procure and maintain necessary licenses and permits.

(c) Manager may (but is not obliged to) use or pledge its credit or advance its own funds to pay expenses for the Hotel on Owner's behalf, in which event any purchases or advances shall be repaid by Owner in accordance with Section 4.8.5(b)(iv).

8.2 Supplemental Services

8.2.1 Chain Services

(a) Throughout the Term, but subject to Section 30, Manager shall cause to be furnished to and for the benefit of the Hotel the full range of Chain Services (defined below) (as such Chain Services are added, deleted or altered by Manager from time to time in accordance with Section 8.2.4(a)). The Hotel's participation in all such Chain Services shall be mandatory except with respect to those Chain Services (if any) that Manager, from time to time at its election, designates as "non-mandatory." For the purposes of this Agreement "Chain Services" shall mean the mandatory programs and services provided by Manager and its Affiliates to substantially all hotels (whether owned, operated, leased or franchised) operating under the Brand Name and which are paid for by the Chain Services Fee (defined below). The general categories of Chain Services provided as of the Effective Date are identified on **Exhibit C-1**.

(b) Intentionally omitted.

(c) Intentionally omitted.

(d) In addition to the Management Fees and all other amounts required to be paid to Manager under this Agreement, the Hotel shall be charged a fee payable for the Chain Services equal to four percent (4%) of Total Rooms Revenue (the "Chain Services Fee"). For purposes of this Agreement, "Total Rooms Revenue" shall have the meaning given to such term in the Uniform System. Costs and expenses incurred in providing Chain Services to Brand Name hotels shall be allocated in accordance with Section 8.2.4(b) hereof. The Chain Services Fee shall be an Operating Expense of the Hotel.

8.2.2 Direct Deductions Services

(a) Manager shall furnish or caused to be furnished the Direct Deductions Services to the Hotel. The "Direct Deductions Services" shall mean, collectively: (i) the mandatory programs and services provided by Manager and its Affiliates to substantially all hotels (whether owned, operated, leased, or franchised) operating under the Brand Name (but excluding the Chain Services); (ii) all optional programs and services offered to substantially all hotels (whether owned, operated, leased, or franchised) operating under the Brand Name, which the general manager of the Hotel determines are beneficial for the Hotel's operations; (iii) all mandatory programs and services provided to all or substantially all Brand Hotels; and (iv) all optional programs and services offered to all or substantially all Brand Hotels, which the general manager of the Hotel determines are beneficial for the Hotel's operations. Those Direct Deductions Services described in the foregoing clauses (i) and (ii) shall be collectively referred to as the "Brand Direct Deductions Services" and those Direct Deductions Services described in

the foregoing clauses (iii) and (iv) shall be collectively referred to as the "Management Direct Deductions Services".

(b) The Hotel shall be charged fees payable for the Direct Deductions Services as determined by Manager in accordance with the provisions of Section 8.2.4(b) (the "Direct Deductions").

(c) Owner hereby approves the current categories of Direct Deductions Services, which are set forth in **Exhibit C-2**, and the treatment of the Direct Deductions as Operating Expenses. Within ninety (90) days after the end of each Fiscal Year, Manager shall furnish to Owner, for Owner's review, an updated list (the "Direct Deductions Report") of all then-current categories of Direct Deductions Services.

(d) Intentionally Deleted.

(e) Direct Deductions shall be an Operating Expense relating to the systems or programs or services provided or offered to the Hotel by or through Manager or one of its Related Persons or Manager Affiliates that is described in the listing of Direct Deductions Services attached hereto as **Exhibit C-2**, which Direct Deductions Services may be modified after the date hereof in accordance with Section 8.2.4(a) of this Agreement. The term Direct Deduction Services shall not include Chain Services or Central Office Services.

8.2.3 Central Office Services

As part of its management services provided hereunder, Manager shall provide, at its own cost and not as an Operating Expense, the Central Office Services that are described on **Exhibit C-3**.

8.2.4 General

(a) The Chain Services and the Direct Deductions Services are collectively referred to herein as the "Services." Manager shall have the right to (a) modify the structure, scope, delivery, fees, costs and terms of any Services (provided that Manager shall not be permitted to increase the Chain Services Fee); (b) add new, or discontinue existing Services; or (c) make mandatory Services optional, or make optional Services mandatory, as Manager deems advisable from time to time, each such change to be implemented upon no less than sixty days' notice to Owner, as long as, with respect to the Chain Services and Brand Direct Deductions Services, such changes are made with respect to a substantial number of the other Brand Name hotels within the United States, and with respect to the Management Direct Deductions Services, such changes are made with respect to a substantial number of the other Brand Hotels in the United States.

(b) The costs related to the provision of Services to Brand Name hotels shall be allocated on a fair and equitable basis considering the factors that Manager or its Affiliates deem most relevant, including, the nature of the Services provided, the benefit received, and the marginal cost of providing the Services to different

classes of hotels (recognizing that one or more of such hotels may have unique characteristics or circumstances justifying a different basis). Except as set forth herein, the Hotel's share of the costs for Chain Services and Direct Deductions Services (i.e., the Chain Services Fee and the Direct Deductions) will not include any Profit to Manager, any Related Persons to Manager, or any Manager Affiliates. For purposes of this Section 8.2.4, "Profit" shall mean a markup of the costs incurred in providing such Chain Services and Direct Deductions Services, but shall specifically not include (i) the cost of capital, research, acquisition, development and promotion expenses or allocations of corporate overhead directly or indirectly related to such Chain Services or Direct Deductions Services, (ii) costs of equipment employed in providing the Services; (iii) costs of operating, maintaining and upgrading the Services; (iv) the costs for the installation and maintenance of any equipment and technology systems at the Hotel used in connection with the Services; and (v) compensation and employee benefits of Corporate Personnel directly involved in providing the Services. The intent of such overhead allocation policy is to charge for such Chain Services and Direct Deductions Services in a manner designed to allow recovery of the actual costs of developing and delivering such Chain Services and Direct Deductions Services, and not to provide for a Profit. Notwithstanding the foregoing, at any particular time, there may be a surplus or deficit of funds associated with certain Chain Services or Direct Deductions Services. Owner acknowledges that retention of such funds for use at a later date (including interest earned thereon) shall not constitute Profit.

(c) A person is a "Related Person" to another person if (A) the relationship between such persons would result in a disallowance of losses under Section 267 or 707(b) of the Internal Revenue Code of 1986, as amended ("IRC"), or (B) such persons are members of the same controlled group of corporations (as defined in IRC Section 1563(a), except that "more than 50 percent" shall be substituted for "at least 80 percent" each place it appears therein).

8.2.5 Centralized Purchasing.

Manager shall furnish centralized purchasing programs for goods, supplies, equipment and services for the Hotel, including operating supplies, Operating Equipment, insurance and long distance telephone services, to the same extent furnished to other Brand Hotels (the "Centralized Purchasing Services"). Owner authorizes Manager to mark up its costs, and receive and retain remuneration and other benefits from vendors and service providers based on such purchases, provided that: (a) the total cost of goods and services (including any mark-up, fees and other remuneration) for the Hotel is generally on terms no less favorable to Owner than those which would be available through unrelated third party vendors in an arms-length transaction; and (b) Manager shall, on an annual basis, remit to the Hotel the proportionate share of the pre-tax profits earned by Manager and its Affiliates through such purchases by hotels participating in the purchasing programs, after deducting all operating expenses and capital costs attributable to providing such services. For purposes of calculating Owner's proportionate share of such pre-tax profits, Manager shall use the number of available rooms at the Hotel divided by the total number of available rooms in all hotels participating in such services, or any other

manner that reasonably approximates the proportionate share of purchases made by the Hotel in relation to the total purchases made by all hotels participating in Manager's purchasing services.

8.2.6 Services by Affiliates.

Manager may provide any service required by this Agreement through an Affiliate. If Manager arranges for an Affiliate of Manager to perform services Manager is required to provide, Manager is ultimately responsible to Owner, and Owner shall not pay more for the Affiliate's services and expenses than Manager would have been entitled to receive under this Agreement had Manager performed the services and the quality of such services shall be not less than if Manager had performed such services. If Manager arranges for an Affiliate of Manager to provide goods to the Hotel, such goods shall be supplied at prices and on terms at least as favorable to the Hotel as generally available in the relevant market and the quality of such goods shall be not less than if Manager had provided such goods. At the request of Owner (but not more than once in each Fiscal Year), Manager shall provide Owner with a current list of any direct or indirect subsidiaries of Hilton Worldwide Holdings, Inc. through which the Manager is providing goods or services to the Hotel.

8.3 Right of Inspection and Review

Manager shall accord to Owner, and any of Owner's officers, directors or Lenders, and their duly authorized agents, the right to enter upon any part of the Hotel at all reasonable times during the Term for the purpose of examining or inspecting the Hotel or examining, copying or making extracts from the books and records of the Hotel operation, including contracts, leases, or other documents executed by Manager pursuant to or in accordance with this Agreement (but excluding Manager Intellectual Property and Hotel Employee records), or for any other purpose which Owner, in its discretion, shall deem necessary or advisable, but the same shall be done with as little disturbance to the operation of the Hotel as possible.

8.4 Financial and Other Reports

(a) Manager shall deliver to Owner, as soon as reasonably practicable but in any event within twenty (20) days after the end of each calendar month, an unaudited financial statement for the Hotel prepared from the books of account maintained by Manager and containing (i) a separate statement of current assets and current liabilities of the Hotel as of the end of such calendar month, (ii) a profit and loss statement showing the results of operation of the Hotel for such calendar month and for the Cumulative Period in respect of such calendar month and a comparison of such results to the Annual Budget for such Cumulative Period including Gross Receipts, Operating Expenses, and Management Fees for such calendar month and such Cumulative Period; and (iii) an analysis of all amounts spent from the FF&E Account; (iv) market share reports from STR; (v) group booking pace reports; (vi) accounts payable ("A/P") and accounts receivable ("A/R") reports; and other similar reports as customarily provided by Manager to Owner on a monthly basis. The "Cumulative Period" shall mean the portion of the Fiscal Year that has passed, including the most recently completed calendar month.

(b) Manager shall deliver to Owner, as soon as reasonably practical but in any event, within twenty (20) days after the end of each calendar quarter, the following reports: (i) an analysis and explanation of allowable expenses pursuant to the Capital Budget; (ii) amounts paid or reimbursed to Manager for Chain Services and Direct Deductions pursuant to Section 8.2; (iii) ACDBE participation report as described in Section 15.5; and (iv) a trend analysis showing thirty-six (36) months of future bookings.

(c) Owner and Manager agree to meet not less frequently than monthly to (y) review operations for the Hotel to date as shown in monthly operating statements and other reports delivered pursuant to Section 8.4(a) (or, in the case of Section 8.4(b), in quarterly meetings between Manager and Owner) and (z) review revisions to each Annual Budget. Manager will cause the General Manager, Hotel Controller and, to the extent relevant to the meeting's purpose as reasonably determined by Manager in each case, the Director of Sales located at the Hotel, the Director of Operations (or, regardless of title, the employees holding comparable positions) of the Hotel, and Manager's Area Vice President having jurisdiction over the Hotel to attend such meetings. If the parties enter into the Possible New Hotel Management Agreement, the meetings for the Existing Hotel and the New Hotel shall be separate but coordinated to accommodate Owner's representatives' schedules. Owner shall designate at its discretion a reasonable number of its representatives to attend such meetings, whom Owner may change from time to time.

In the event that Owner finances the Hotel with proceeds of Bonds as contemplated in Section 31.13 of this Agreement, Owner may designate at its discretion that one such meeting each year will be attended by Owner's bond counsel and will be devoted, in whole or in part, to providing Owner and Owner's bond counsel with an opportunity to determine whether Manager is adequately complying with the IRS Guidelines in its operation of the Hotel. Possible agenda items for a meeting attended by Owner's bond counsel would include, but not be limited to, any changes material to determining compliance with the IRS Guidelines. Manager may elect to have its legal counsel attend those meetings attended by Owner's bond counsel.

(d) After the end of each Fiscal Year, Manager will prepare annual operating statements for such Fiscal Year for the Hotel (herein referred to as the "Annual Operating Statement") containing a statement of the current assets and current liabilities of the Hotel as of the end of such Fiscal Year, and a profit and loss statement showing the results of operation of the Hotel (including store rentals). Such Annual Operating Statements shall set forth the Gross Receipts, Operating Expenses, the Management Fees (separately stated for the Basic Fee and the Incentive Fee), Capital Expenditures, FF&E Expenditures and, if Owner informs Manager of the relevant amounts, the payments of principal of and interest on the debt incurred to fund improvements to the Hotel. Owner shall retain a duly licensed independent certified public accounting firm approved by Manager to conduct an audit of the Annual Operating Statements, the scope of which will be

in accordance with generally accepted accounting principles, the Uniform System and this Agreement, and provide an unqualified opinion thereon (such audited Annual Operating Statements are herein referred to as the "Certified Financial Statements"). Manager shall reasonably cooperate with Owner, its representatives and the auditor in connection with the audit so that the auditor can provide the Certified Financial Statements to Owner as soon as possible after March 1st, but in no event later than March 15th of each Fiscal Year. Manager and Owner will make any adjustments in the amounts paid for such Fiscal Year based on the final figures in the Certified Financial Statements, by cash payments, within sixty (60) days after Owner's receipt of the Certified Financial Statements. The Certified Financial Statements prevail over the monthly statements and the Annual Operating Statements. No adjustments will be made for any operating loss or operating profit in any preceding Fiscal Year. The cost of such audit in respect of such Certified Financial Statements shall be charged as an Operating Expense for the Fiscal Year, provided that such cost shall not be included in the calculation of Hotel GOP for purposes of determining compliance with the Performance GOP Test.

(e) Manager shall have the right to contest the results of the audit as the audit relates to the terms of this Agreement, but shall have no right to contest the validity of the audit itself. Manager must notify Owner of its intent to contest the audit results no later than fifteen (15) days from Manager's receipt of the Certified Financial Statements. The Parties shall work in good faith to resolve Manager's objection and if unable to do so, the objection will be resolved by referral to an Expert in accordance with the provisions of Section 3.4.1(c).

(f) On or before the 120th day following the day on which this Agreement expires, is cancelled or is terminated, Owner shall cause an audit comparable to that described in Section 8.4(d) covering that portion of the Fiscal Year from January 1 up to and including the date of expiration, cancellation or termination to be prepared and submitted to Owner (the "Final Audit"). Manager shall have the right to contest the result of the Final Audit and such contest shall be resolved pursuant to the procedures set forth in Section 8.4(e). This Section 8.4(f) shall survive the expiration or sooner termination or cancellation of this Agreement.

(g) Manager shall promptly cooperate with the Owner in furnishing such additional information as is necessary for the Owner to comply with its requirements under any financing and/or Rule 15c2-12 of the Securities and Exchange Commission.

8.5 Payment of Taxes

(a) During the Term, Manager shall, on behalf of the Owner, prior to delinquency, subject to Section 3.4.1(e), this Section 8.5(a) and Section 8.5(b), pay, to the extent funds are available in the Hotel Accounts, all real and personal property taxes, if any, assessed against the Hotel, as directed by Owner. Manager

covenants to pay such taxes on behalf of Owner out of the Hotel Accounts, prior to delinquency, provided that Owner provides sufficient funds therefor (in addition to funds necessary to pay Operating Expenses) and submits bill(s) therefor to Manager on a timely basis. In the event that any bill(s) therefor are issued to Manager or in Manager's name, Manager shall forward such bill(s) to Owner promptly upon receipt. Owner may or Manager (at Owner's direction and in accordance with Section 4.4(c)) shall contest, by appropriate legal proceedings conducted diligently and in good faith, in the name of Manager or Owner, or both, as directed by Owner, the validity or amount of any property taxes so assessed provided (a) such contest shall not cause Owner to be or become in default under any indebtedness relating to the Hotel; and (b) during the pendency of any such contest the foreclosure of any lien securing such taxes is effectively stayed.

(b) Notwithstanding Section 8.5(a), the Parties acknowledge that, as of the Effective Date, Owner's property is not subject to real estate and personal property taxes, and therefore it is anticipated that real estate and personal property taxes will not be payable and therefore will not be Operating Expenses. If, after the Effective Date, the Hotel is subject to any real estate and personal property taxes Owner will pay such taxes and such taxes will not be included in the calculation of Hotel GOP for purposes of determining compliance with the Performance GOP Test.

8.6 Owner Supplied Utilities

In the event that Owner elects to provide utilities and energy to the Hotel, such items shall be provided upon terms and for prices customarily charged by Owner for comparable items to tenants at the Airport.

8.7 Warranties and Representations

In connection with the execution of this Agreement, Manager warrants and represents statements (a) through (k) below are true as of the Effective Date. If during the Term there is any change in circumstances that would cause a statement to be untrue, Manager must promptly notify the Owner in writing. Failure to do so will constitute an Event of Default if Manager does not commence corrective action or update such statement to make such statement true within three (3) business days after Manager discovers such a change in circumstances or receives written notice from Owner of such failure and thereafter diligently prosecute such corrective action to completion or update such statement, provided such corrective action or update such statement shall be completed within sixty (60) days. Manager shall use good faith efforts to incorporate any of the following provisions set forth in this Section 8.7 (or representations substantially similar thereto) in all contracts entered into on or after the Opening Date (or pursuant to the Pre-Opening Services Agreement) with any suppliers of materials, furnishers of services, contractors, or that may provide any materials, labor or services in connection with this Agreement, such that the parties warrant, represent and covenant to Owner or Manager (as agent for Owner) as to the matters set forth in this Section 8.7. Manager must use good faith efforts to cause such contractors to execute those affidavits and certificates that may be necessary in

furtherance of these provisions. The certifications must be attached and incorporated by reference in the applicable agreements. If any contractor is a partnership or joint venture, Manager must also use good faith efforts to include provisions in its subcontract insuring that the entities comprising the partnership or joint venture are jointly and severally liable for its obligations under it. Notwithstanding the foregoing, the obligations in this Section 8.7 shall not extend to contracts, agreements and other arrangements (i) provided as part of the Chain Services or Direct Deductions Services, (ii) procured through Manager's Centralized Purchasing Services, (iii) on forms provided "system wide" to the Hotel and any of the other Brand Hotels, (iv) constituting booking, sales and distribution, and other similar agreements entered into by Manager in the normal course of business, (v) constituting insurance policies required to be provided by Manager hereunder, or (vi) constituting collective bargaining agreements.

(a) Manager has the financial capability to perform its obligations under this Agreement, and Manager holds itself to very high standards of quality and professionalism. Manager is competent to perform as required under this Agreement; this Agreement is feasible of performance by Manager in accordance with all of its provisions and requirements; Manager has the full power and is legally authorized to perform or cause to be performed its obligations under this Agreement under the terms and conditions stated in this Agreement; and Manager can and will perform, or cause to be performed, all of its obligations under this Agreement in accordance with the provisions and requirements of this Agreement.

(b) Manager is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Delaware; Manager is qualified to do business in the State of Illinois; and Manager has a valid current business privilege license to do business in the City, if required by applicable law.

(c) The person signing this Agreement on behalf of Manager has been duly authorized to do so by Manager; all approvals or consents necessary in order for Manager to execute and deliver this Agreement have been obtained; and neither the execution and delivery of this Agreement, the consummation of the transactions contemplated, nor the fulfillment of or compliance with the terms and conditions of this Agreement:

(i) conflict with or result in a breach, default or violation of Manager's organizational documents; any law, regulation, ordinance, court order, injunction, or decree of any court, administrative agency or governmental body, or any of the terms, conditions or provisions of any restriction or any agreement or other instrument to which Manager is now a party or by which it is bound; or

(ii) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Manager under the terms of any instrument or agreement.

(d) There is no litigation, claim, investigation, challenge or other proceeding now pending or, to Manager's knowledge after due and complete investigation, threatened, challenging the existence or powers of Manager, or in any way affecting its ability to execute or perform under this Agreement or in any way having a material adverse effect on the operations, properties, business or finances of Manager.

(e) This Agreement constitutes the legal, valid and binding obligation of Manager, enforceable against Manager in accordance with its terms, subject to applicable bankruptcy, insolvency, moratorium and other laws affecting creditors' rights and remedies generally and by the application of equitable principles.

(f) Intentionally Deleted.

(g) Manager has not knowingly and will not knowingly use the services of any person or entity for any purpose in its performance under this Agreement when such person or entity is ineligible to perform services under this Agreement or in connection with it as a result of any local, state or federal law, rule or regulation, or when person or entity has an interest that would conflict with the performance of services under this Agreement.

(h) There was no broker instrumental in consummating this Agreement and no conversations or prior negotiations were had with any broker concerning the rights granted in this Agreement with respect to the Hotel. Manager must hold the City harmless against any claims for brokerage commission arising out of any conversations or negotiations had by Manager with any broker.

(i) To the best of Manager's knowledge, neither Manager nor any Hilton Affiliate is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons with which the City may not do business under applicable law: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, Entity List, and the Debarred List. "Hilton Affiliates" shall mean Hilton Worldwide Holdings, Inc. and all of its wholly-owned subsidiaries.

(j) Manager, and to the best of Manager's knowledge, its Affiliates, any of their respective owners holding 7.5% or more beneficial ownership interest, and any of Manager's directors, officers, members, or partners:

(i) have no interest, directly or indirectly, that conflicts in any manner or degree with Manager's performance under this Agreement; provided that the operation or ownership of other hotels that compete with the Hotel is not a violation of this provision;

(ii) have no outstanding parking violation complaints or debts, as the terms are defined in Section 2-92-380 of the Municipal Code, (with the exception of any debt or obligation that is being contested in a pending administrative

or judicial proceeding) and Manager agrees that, for the Term, it will promptly pay any debts, outstanding parking violation complaints or monetary obligations of Manager to the City that may arise during the Term, with the exception of any debt or obligation that is being contested in a pending administrative or judicial proceeding;

(iii) are not in default under any other City contract or agreement as of the Effective Date, nor have been deemed by the City to have been in default of any other City contract or agreement within five years immediately preceding the Effective Date;

(iv) are not in violation of the provisions of § 2-92-320 of the Municipal Code pertaining to certain criminal convictions or admissions of guilt and are not currently debarred or suspended from contracting by any Federal, State or local governmental agency;

(v) are not delinquent in the payment of any taxes due to the City;

(vi) will not at any time during the Term have any interest or acquire any interest, directly or indirectly, that conflicts or would or may conflict in any manner or degree with Manager's performance under this Agreement; provided that the operation or ownership of other hotels that compete with the Hotel is not a violation of this provision; and

(vii) will not make use of the Hotel in any manner that might interfere with the landing and taking off of aircraft at the Airport under current or future conditions or that might otherwise constitute a hazard to the operations of the Airport or to the public generally.

(k) Except only for those representations, statements, or promises expressly contained in this Agreement, including any Exhibits attached to this Agreement and incorporated by reference in this Agreement, no representation, warranty of fitness, statement or promise, oral or in writing, or of any kind whatsoever, including any request for proposal, by the City, its officials, agents, or employees, has induced Manager to enter into this Agreement or has been relied upon by Manager, including any with reference to:

(i) the meaning, correctness, suitability or completeness of any provisions or requirements of this Agreement;

(ii) the nature of the services to be performed;

(iii) the nature, quantity, quality or volume of any materials, equipment, labor and other facilities, needed for the performance of this Agreement;

(iv) the general conditions that may in any way affect this Agreement or its performance;

(v) the compensation provisions of this Agreement; or

(vi) any other matters, whether similar to or different from those referred to in clauses (i) through (v) immediately above, affecting or having any connection with this Agreement, the negotiation of this Agreement, any discussions of this Agreement, the performance of this Agreement or those employed in connection with it.

Section 9. INSURANCE

9.1 Owner Insurance

Owner shall provide and maintain property insurance as deemed appropriate and Business Interruption insurance during the term of this Agreement.

9.2 Manager Insurance

Effective as of the Opening Date, Manager must provide and maintain, as an Operating Expense, during the term of the Agreement and during the time period following expiration if Manager is required to return and perform any work, services, or operations, the insurance coverages and requirements specified in **Exhibit J**, insuring all work, services, or operations related to the Agreement. Any deductibles or self-insured retentions on referenced insurance coverages shall be reimbursed to Manager as an Operating Expense; provided, however, that to the extent Manager self-insures for Management/Professional Liability Insurance required by **Exhibit J**, Manager shall bear all risk of loss for any loss that would otherwise be covered by insurance, and such cost shall not be an Operating Expense under this Agreement. The costs of Manager-purchased insurance (including the application of deductibles and self-insured retentions) will be charged to the Hotel as an Operating Expense based on a share of the total cost paid by Manager and its Affiliates, such share to be charged as an Operating Expense to the Hotel using the same methodology or formula as used to charge to other owners participating in the relevant policy, which methodology or formula may be modified from time to time in Manager's reasonable discretion so as to charge the costs related to the provision of insurance on a fair and equitable basis considering the factors that Manager deems most relevant.

Section 10. INDEMNIFICATION OF OWNER

(a) The term "Liabilities" as used in this Agreement shall mean any and all penalties, fines, damages, losses, liabilities, costs and expenses (including without limitation the cost of defense, settlement, appeal, reasonable attorneys' fees and expenses (including but not limited electronic discovery charges and expert's fees)) incurred by Owner or Manager or their respective Related Parties, and any other amounts required to be paid to unaffiliated third parties, which in all cases arise out of or relate to any unaffiliated third party claims, demands, suits or actions (including but not limited to enforcement proceedings initiated by any government agency) against a party or its Related Parties (as hereinafter defined). Subject to Section 30 and the limitations set forth herein, in addition to and not in limitation of any of Manager's duties and obligations under this Agreement, Manager will indemnify, defend and hold Owner and its Related Parties harmless

from and against any and all Liabilities that Owner may have alleged against it, incur, become responsible for or pay out to the extent arising out of or in connection with (i) the operation of the Hotel, to the extent the Liability is attributable to Manager's or its agents' breach of this Agreement, where Owner has provided Manager written notice of such breach and opportunity to cure in accordance with the terms of this Agreement; (ii) Manager's Gross Negligence or Willful Misconduct (as defined in Section 10(i) below); (iii) Manager's failure to maintain insurance coverage that it is required to maintain pursuant to the provisions of this Agreement, provided that Manager's liability therefor shall be limited to the excess of the amount of any liability or loss that would have been covered by such insurance over the amount of any deductible or self-insured retention, applicable thereto, and further provided that the application of common exclusions or limitations in the required policies obtained shall not constitute failure to effect or maintain insurance; (iv) Manager's operations at locations other than at the Hotel to the extent not directly and primarily related to the Hotel; (v) infringement or other claims relating to the Protected Name or Protected Marks (but excluding any Protected Marks associated with brands that Owner has proposed and requested Manager to use), other than such claims arising or resulting from the acts or omissions of Owner, its Affiliates and/or their respective employees or agents; (vi) "hazardous substances" or "hazardous wastes" (as defined in Section 10(b) below) in any quantity, used by or brought onto the Hotel's property, by, for, or at the direction or request of Manager or in connection with Manager's operation of the Hotel and the performance of its duties hereunder, in each case that are attributable to Manager's breach of this Agreement, where Owner has provided Manager written notice of such breach and opportunity to cure in accordance with the terms of this Agreement (other than at the request or direction of Owner and other than as may be required to comply with the Legal Requirements or Laws and other than to the extent permitted by Legal Requirements or Laws, but including, without limitation, Manager's failure to obtain the approval of Owner whenever required by this Agreement); (vii) any "withdrawal liability" (as described in Section 4201 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) that may be incurred by or assessed against Owner in connection with, arising under or relating to any "multiemployer plan" (as defined in Section 3(37) of ERISA) maintained or contributed to by Manager or any Related Person or any Manager Affiliate or with respect to which Manager or any Related Person or any Manager Affiliate has any liability or contingent liability, other than withdrawal liability for which Owner is responsible pursuant to Section 11(c); (viii) any claim (whether or not meritorious) made by a Manager's employee or relating to the employment relationship between Manager and its employees which are attributable to Manager's or its Senior Executive Personnel's breach of this Agreement, including, without limitation, Manager's failure to obtain the approval of Owner whenever required by this Agreement, where Owner has provided Manager written notice of such breach and an opportunity to cure in accordance with this Agreement; provided, however, that notwithstanding anything to the contrary herein, Manager's liability and its obligation to indemnify, defend and hold

harmless Owner and its Related Parties under the foregoing clauses (i), (vi) and (viii) for breach of this Agreement shall be limited as provided in clauses (A) through (C) of Section 3.8(c)(iv) of this Agreement, *mutatis mutandis*.

(b) Except as provided in Section 10(a), Manager's obligations under this Section 10 shall not include any Liabilities arising from any matters relating to the structural integrity of the Hotel or other matters relating to defects in design, materials or workmanship in the construction of the Hotel (other than alterations or additions made by Manager pursuant to Section 7.3), and except as provide in Section 10(a)(vi), Manager's obligations under this Section 10 shall not include any Liabilities arising from any matters relating to the existence on the Site of "hazardous substances" or "hazardous wastes" as defined in Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 USC §9601, et seq., or The Resource Conservation and Recovery Act, as amended, 42 USC §6901, et seq., or similar state environmental laws or subsequent federal or state legislation of a similar nature which may be enacted from time to time ("Environmental Laws"), all of the foregoing being Owner's sole responsibility. Owner shall provide to Manager, upon Manager's request, copies of all studies and reports prepared by or for Owner relating to environmental matters.

(c) Manager's indemnification obligations under this Section 10 shall not apply to any Liabilities to the extent (i) caused by Owner's breach of this Agreement, or (ii) for which Owner is responsible pursuant to Section 11 or elsewhere in this Agreement.

(d) The cost of indemnification pursuant to this Section 10 shall be borne solely by Manager and shall not be charged to or paid out of the Hotel Accounts or any other fund or account of the Owner. Manager's indemnification obligations hereunder shall be reduced to the extent that Owner has been reimbursed by insurance proceeds for such indemnified Liabilities.

(e) Each of the foregoing subsections of this Section 10 is expressly subject to the condition that the indemnified party shall have the right to participate in the defense of any legal or equitable proceedings with respect to all Liabilities related to third party claims or circumstances in which Manager is to hold Owner (or other indemnified party) harmless, the right to timely appointment of counsel by Manager for the defense of any such Liabilities (and, except when appointed under an insurance program, the right to reasonably approve such counsel), and the right to approve any proposed settlement of such Liabilities. If, in the indemnified party's judgment, a conflict of interest exists, the indemnified party may appoint independent counsel of its choice for its defense at its own expense. Any party seeking indemnity under this Section 10 shall notify Manager promptly after receiving notice of the underlying Liabilities. Any omission or delay in providing such notice shall relieve Manager of its indemnity obligation to the extent that it is materially prejudiced by the omission or delay. If Manager fails to timely pay any costs and expenses of such Liabilities, the indemnified party has the right to pay such amounts and be reimbursed for the same, together with

interest thereon in accordance with Section 13 until paid in full. It is not a defense to a demand for indemnity that less than all Liabilities asserted against the indemnified party are subject to indemnification.

(f) The indemnities for the benefit of Owner contained in Section 10 and any other provision of this Agreement shall run to the benefit of Owner and its Related Parties. "Related Parties" shall mean a Party's respective Affiliates and its and their respective directors, partners, members, managers, officers and employees (and, with respect to the City, its elected officials and commissioners).

(g) No party or other person or entity shall be entitled to any form of equitable or implied indemnification at any time.

(h) The provisions of this Section 10 shall survive the expiration or earlier termination of this Agreement.

(i) "Manager's Gross Negligence or Willful Misconduct" means any gross negligence in the performance of Manager's duties under this Agreement or willful misconduct or fraud committed by Manager, its Affiliates or any Senior Executive Personnel of the Hotel; provided, that the acts or omissions of Hotel Employees (other than Senior Executive Personnel) shall not be imputed to Manager, its Affiliates, or any Senior Executive Personnel, or otherwise deemed to constitute Manager's Gross Negligence or Willful Misconduct, unless such acts or omissions resulted from gross negligence or willful misconduct or fraudulent acts of the Senior Executive Personnel supervising such Hotel Employees.

(j) "Senior Executive Personnel" shall mean the individuals employed from time to time as the general manager, the director of sales, the controller(s) and the assistant general manager position of the Hotel (or serving such functions, regardless of the specific titles given to such individuals) or their superior officers.

(k) "Withdrawal liability" for purposes of Sections 10 and 11 means withdrawal liability (as described in Section 4201 of ERISA) that may be incurred by or assessed against a party in connection with, arising under or relating to any "multiemployer plan" (as defined in Section 3(37) of ERISA) maintained or contributed to by a party.

Section 11. INDEMNIFICATION OF MANAGER

(a) Subject to the limitations set forth herein and to the extent permitted by law, Owner shall indemnify, defend and hold harmless Manager and its Related Parties from and against any and all Liabilities arising out of, or incurred in connection with, the management and operation of the Hotel except Liabilities (i) caused by Manager's breach of this Agreement, or (ii) for which Manager is responsible pursuant to Section 10 or elsewhere in this Agreement.

(b) Owner shall indemnify, defend and hold harmless Manager and its Related Parties from and against any and all Liabilities arising out of, or incurred in connection with infringement or other claims relating to the Airport Marks (as defined in Section 14.2).

(c) Notwithstanding anything herein to the contrary, with regard to Liabilities for withdrawal liability, Owner shall indemnify, defend and hold harmless Manager and its directors, officers, employees and agents from and against only the following: (i) any withdrawal liability incurred by Manager in connection with the discontinuance of contributions (pursuant to the termination or expiration of this Agreement) to any multiemployer plan to which Manager is required to make contributions on behalf of persons employed by Manager and who perform services primarily at the Hotel pursuant to the provisions of an applicable collective bargaining agreement, but only to the extent that such withdrawal liability is attributable to persons employed by Manager primarily at the Hotel during the Term, and (ii) any Liabilities other than withdrawal liability arising out of, or relating to, any contribution obligations under collective bargaining agreements in respect to services performed by employees of Manager primarily at the Hotel during the Term, unless in each case such Liabilities are caused by Manager's breach of this Agreement or Manager's Gross Negligence or Willful Misconduct (as defined in Section 10(i)).

(d) Other than Liabilities for which Manager is responsible pursuant to Section 10(a)(vi), Owner shall indemnify, defend and hold harmless Manager from and against any loss, cost, expense or liability, including reasonable attorney's fees arising from the existence of any unpermitted "hazardous substances" or "hazardous wastes" (as such terms are defined in Section 10(b)) that were on or within the Site.

(e) Owner's indemnification obligations hereunder shall be reduced to the extent that Manager has been reimbursed by insurance proceeds for such indemnified Liabilities.

(f) Each of the foregoing subsections of this Section 11 is expressly subject to the condition that the indemnified party shall have the right to participate in the defense of any legal or equitable proceedings with respect to all Liabilities related to third party claims or circumstances in which Owner is to hold Manager (or other indemnified party) harmless, the right to timely appointment of counsel by Owner for the defense of any such Liabilities (and, except when appointed under an insurance program, the right to reasonably approve such counsel), and the right to approve any proposed settlement of such Liabilities. If, in the indemnified party's judgment, a conflict of interest exists, the indemnified party may appoint independent counsel of its choice for its defense at its own expense. Any party seeking indemnity under this Section 11 shall notify Owner promptly after receiving notice of the underlying Liabilities. Any omission or delay in providing such notice shall relieve Owner of its indemnity obligation to the extent that it is materially prejudiced by the omission or delay. If Owner fails to timely pay any

costs and expenses of such Liabilities, the indemnified party has the right to pay such amounts and be reimbursed for the same, together with interest thereon in accordance with Section 13 until paid in full. It is not a defense to a demand for indemnity that less than all Liabilities asserted against the indemnified party are subject to indemnification.

(g) The costs described in Section 11(f) and the amount of any indemnification paid by Owner to Manager under this Section 11 or other sections of this Agreement shall be treated as an Operating Expense of the Hotel (provided, however such costs will not be included in the calculation of Hotel GOP for purposes of determining compliance with the Performance GOP Test) and shall be payable only from Gross Receipts, for the Fiscal Year in which such indemnification payment is made, and shall be payable to Manager in addition to all other amounts due to Manager under this Agreement, regardless of availability of funds in the Hotel Accounts.

(h) Owner and Manager acknowledge that their respective indemnity obligations may create a conflict of interest in the defense of a Liability. Owner and Manager shall cooperate to defend and resolve any Liabilities in a manner that minimizes the exposure to the claimant. Pending the resolution of any question as to whether Manager or any of its Affiliates or any of its officers or employees are entitled to indemnity under this Section 11, Manager is authorized to pay from the Hotel Accounts all expenses of defending or handling any matter referred to in this Section 11. To the extent that it is ultimately determined that such entities or persons are not entitled to indemnity, Manager shall reimburse Owner for all such expenses. The settlement by either party in good faith of any Liabilities shall not create any presumption of the validity of the Liabilities or that the acts or omissions giving rise to the Liabilities constitute a basis for indemnity. Owner and Manager shall look first to the appropriate insurance coverages in effect if any claim or liability occurs as a result of personal injury or property damage, regardless of the cause of such claim or liability.

(i) The indemnities for the benefit of Manager contained in Section 11 and any other provision of this Agreement shall run to the benefit of Manager and its Related Parties.

(j) No party or other person or entity shall be entitled to any form of equitable or implied indemnification at any time.

(k) To the extent Liabilities are not funded from the proceeds of insurance, the Hotel Accounts, including the FF&E Account and the Operating Reserve, or indemnities contemplated in this Agreement are not permitted by Law, any such amounts relating to the Liabilities shall be deemed to be Operating Expenses of the Hotel and paid prior to any payments to the FF&E Account, the Operating Reserve, payment of debt service, maintenance of bond reserve funds and other required reserve funds, and payments to Owner; provided, however, such amounts shall not be deemed Operating Expenses for the Hotel for the purposes of

calculating Hotel GOP or determining whether the Performance Test has been met.

(l) The provisions of this Section 11 shall survive the expiration or earlier termination of this Agreement.

Section 12. DAMAGE TO AND DESTRUCTION OF HOTEL

12.1 Owner's Duty of Restoration

Subject to Section 9, if the Hotel, or any portion thereof, shall be damaged (except as set forth above due to "hazardous substances" or "hazardous wastes") at any time or times during the Term by fire or any other casualty, Owner, at no expense or risk to Manager, shall, subject to the rights of any Lender, using due diligence and dispatch, repair, rebuild or replace the same (such repairing, rebuilding or replacing being herein called "restoration") so that after such restoration the Hotel shall be substantially the same as prior to such damage or destruction, provided that all proceeds of insurance shall be made available to Owner for this purpose.

12.2 Owner's Election Not to Restore

Anything in Section 12.1 to the contrary notwithstanding, in connection with (a) any casualty affecting at least fifty percent (50%) or more of the guest rooms of the Hotel or such portion of the public or common areas or "back of the house" service areas of the Hotel which, in the Owner's reasonable opinion, materially interfere with Manager's ability to service at least seventy-five percent (75%) of available guest rooms in accordance with the Brand Standards or (b) any casualty, if the insurance proceeds received by Owner and not applied as a payment upon any financing of the Hotel, plus any deductibles, are reasonably determined by Owner to be insufficient to fully repair, rebuild or replace the damage to the Hotel (provided that such insufficiency exceeds ten percent (10%) of the cost to so repair, rebuild, or replace), then either Party shall have the right, exercisable by notice to the other Party given within one hundred eighty (180) days from the occurrence of such casualty to terminate this Agreement. On or prior to, and as a condition to any termination under this Section 12.2, Owner shall pay to Manager all amounts due to Manager under this Agreement, including but not limited to all Management Fees up to the date of termination, any Manager advances, and all amounts under Section 25.10.

12.3 Eminent Domain

If the whole or any substantial portion of the Hotel is taken by any public authority under the power of eminent domain, or taken in any manner for any public or quasi-public use, with the result that, in the reasonable judgment of Owner (with the consent of any Lenders, if required by the terms of any Financing) or Manager, it is unreasonable to continue to operate the Hotel in accordance with the Brand Standards, then the Term shall cease and terminate on the date of such taking. All awards for such taking shall belong to and be the property of Owner. Manager shall have the right, through a separate legal action (conducted at Manager's, and not the Hotel's or Owner's expense) to pursue damages for the loss of its rights under this Agreement, provided such legal action does not diminish Owner's award. On or prior to, and as a condition to any termination under this Section 12.3, Owner shall pay to Manager all amounts due to Manager

under this Agreement, including but not limited to all Management Fees up to the date of termination, any Manager advances, and all amounts under Section 25.10.

12.4 Adjustment of Performance GOP Test

In the event of any casualty or taking under the power of eminent domain which does not result in the termination of this Agreement, the Parties shall mutually agree on an equitable adjustment to the Performance GOP Test.

Section 13. INTEREST ON OVERDUE SUMS

Except to the extent otherwise provided herein, if the Defaulting Party shall fail to pay, when due, to the Non-Defaulting Party any sum payable to the latter hereunder, then unless the Defaulting Party shall reimburse the other Party within ten (10) days after written demand therefor, the Defaulting Party shall, without notice to or demand upon it, be liable to the Non Defaulting Party for the payment of such sum together with interest thereon at the rate of (a) "Prime" plus 2% per annum or (b) the maximum rate of interest allowed by law, whichever shall be less, from the date when such sum shall become due to the date of actual payment. For the purposes of this Agreement, "Prime" shall mean the rate per annum announced from time to time by the *Wall Street Journal* as its prime or equivalent rate of interest.

Section 14. TRADE NAME

14.1 Manager Trade Name and Trademarks

During the Term, the Hotel shall at all times be known and designated as the "Hilton Chicago O'Hare." Manager represents and warrants to Owner that Manager has the legal right to use the name, "Hilton" (herein called the "Protected Name") either alone or in conjunction with another word or words. Manager further represents and warrants to Owner that Manager has the legal right to use certain logos, trademarks, trade names and marks (the "Protected Marks") in conjunction with the operation of the Hotel. Owner acknowledges that the Protected Name and Protected Marks, when used either alone or in conjunction with any other word or words, or any other marks, are the exclusive property of Manager or its Affiliates, and that Manager's use of the Protected Name and Protected Marks and other Manager Intellectual Property in connection with the operation of the Hotel shall be strictly on a non-exclusive basis, and that Owner does not hereby obtain any interest in such Protected Name or Protected Marks or any other Manager Intellectual Property. Owner acknowledges that Manager alone has the exclusive right to determine the form of presentation of either the Protected Name or the Protected Marks, or both, in conjunction with the operation of the Hotel, including the marketing, promotion, advertising and management thereof, or the sales or marketing of any goods or services using the Protected Name or Protected Marks or Hotel signage, or any of the foregoing. Furthermore, Owner agrees that no right or remedy of Owner for any default of Manager hereunder, nor the termination of the grant of the right to manage the Hotel upon the expiration or sooner termination of the Term, nor any provision of this Agreement, shall confer upon Owner, or any transferee, assignee or successor of Owner, or any person, firm or corporation claiming by or through Owner, the right to use either the Protected Name or the Protected Marks, either alone or in conjunction with any other word or words, or in conjunction with any other logos, trademarks, trade names or other

marks, in connection with the use or operation of the Hotel or otherwise, and Owner covenants that it will not use any of either the Protected Name or Protected Marks and that it will not make any claim of any interest in either the Protected Name or Protected Marks under any circumstance. In the event of any breach of this covenant by Owner, Manager shall be entitled to relief by injunction, and to all other available legal rights or remedies, and this provision shall be deemed to survive the expiration or sooner termination of the Term.

Notwithstanding the foregoing, if at any time Manager shall be excused from its obligation to operate the Hotel in conformity with the Brand Standards determined in accordance with the provisions of Section 4.1, other than as a result of (a) Force Majeure Causes or damage to or destruction of the Hotel, (b) a taking of all or a part of a Hotel by eminent domain, condemnation or similar proceeding, (c) failure by Owner to provide sufficient working capital funds as required hereunder, (d) a Major Refurbishing Program, then, in addition to any other right or remedy available to Manager by reason thereof, Manager may, upon not less than thirty (30) days prior written notice to Owner, and for so long as Manager may be excused from its said obligation, change the name of the Hotel to such name as Manager, in its reasonable discretion after consultation with Owner in good faith, shall select, which name may, if Manager so elects, exclude the use of the name "Hilton", provided that the new name selected by Manager shall not infringe upon the rights of any other person, firm or corporation and may also, in its discretion, discontinue the use of any or all of the Protected Marks; provided, however, if, within the thirty (30) day period following delivery of the aforesaid written notice to Owner from Manager, Owner shall institute proceedings contesting Manager's right to be excused from its obligation to operate the Hotel in conformity with the Brand Standards, or Manager's right to change the name of the Hotel in accordance with the provisions of this Section, and shall pursue such proceedings diligently and in good faith, no change shall be made by Manager in the name of the Hotel during the pendency of such proceedings or, to the extent the proceedings shall uphold Manager's right to be excused from the Brand Standards, for a period of thirty (30) days thereafter, provided that, during such thirty (30) day period, Owner shall commence, and shall thereafter proceed in good faith and with due diligence, to take such action as may be reasonably necessary to permit Manager to operate the Hotel in conformity with the Brand Standards, it being intended that the time for taking such action shall be extended for such period as may be reasonably necessary for the completion thereof. If, in the proceeding, it is determined that Manager shall have been prevented from operating the Hotel according to the Brand Standards solely by reason of Owner's failure or inability to provide funds therefor, then the aforesaid thirty (30) day period shall be lengthened to one-hundred eighty days (180) days to provide Owner time to raise additional funds. Nothing in this paragraph shall require Manager to change the name of the Hotel.

14.2 Owner Trade Name and Trademarks

Owner owns all right, title and interest in the trademarks/service marks ORD and CDA (collectively, the "Airport Marks"). Manager may not use the Airport Marks for any purpose other than in connection with the operation of the Hotel. Manager does not hereby obtain any interest in such names. Manager acknowledges that Owner alone has the exclusive right to determine the form of presentation of the Airport Marks, in conjunction with the operation of the Hotel, including the marketing, promotion, advertising and management thereof, or the sales or marketing of any goods or services using those names, or Hotel signage, or any of the foregoing.

Furthermore, Manager agrees that no right or remedy of Manager for any default of Owner hereunder nor the grant of the right to manage and operate the Hotel pursuant to the terms of this Agreement, nor any provision of this Agreement shall confer upon Manager, or any transferee, assignee or successor of Manager or any person, firm or corporation claiming by or through Manager, the right to use the Airport Marks, either alone or in conjunction with any other word or words, or in conjunction with any other logos, trademarks, trade names or other marks, in connection with the use or operation of any Hotel meeting room, Hotel or otherwise. Manager covenants that it will not use the Airport Marks without Owner's prior written permission and that it will not make any claim of any interest in the Airport Marks. In the event of any breach of this covenant by Manager, Owner shall be entitled to damages, to relief by injunction, and to all other available legal rights or remedies, and this provision shall be deemed to survive the expiration or sooner termination of the Term. Nothing in this Section shall be construed to preclude or limit Manager or its Affiliates from using terms that are merely descriptive or generic.

Section 15. COMPLIANCE WITH ALL LAWS

15.1 Applicable Laws.

Manager acknowledges that the operation of the Hotel is subject to compliance with all applicable laws, statutes, ordinances, rules, regulations, court orders and executive or administrative orders and directives of the federal, state and local government (including those of the Chicago Department of Aviation ("CDA") as in effect from time to time), now existing or later in effect (whether or not the law also requires compliance by other parties), including the Americans with Disabilities Act and Environmental Laws, those promulgated by the Federal Aviation Administration ("FAA") and those set forth in clauses (a) through (r) below, and the Legal Requirements described in Section 7.2, and the laws, rules and regulations described in Section 31.15, in each case to the extent applicable to the operation of the Hotel (collectively, "Laws"). Except as elsewhere herein limited or excused, including, without limitation, Sections 3.8 and 30, Manager shall, throughout the term, comply with all Laws, in each case as such Laws apply to the operation of the Hotel. Manager must notify the City within ten (10) days of receiving notice from a competent governmental authority that Manager, or any of its agents, employees and contractors may have violated any Laws with respect to the operation of the Hotel. Provisions required by any Law to be inserted in this Agreement are deemed inserted in this Agreement whether or not they appear in this Agreement or, upon application by either Party, this Agreement will be amended to make the insertion; however, in no event will the failure to insert the provisions before or after this Agreement is signed prevent its enforcement.

Upon execution of this Agreement, Owner and Manager shall meet to discuss the application of the Laws with respect to operation of the Hotel. The parties shall collaborate in good faith to mutually determine and establish guidelines, policies and practices specific to the operation of the Hotel in accordance with this Agreement that are necessary in order to cause the operation of the Hotel to comply with the Laws (the "Legal Compliance Policies"). Manager also acknowledges that certain Laws may require specific contract provisions to be incorporated in subcontracts and Hotel specific contracts that Manager enters into in Owner's name and that the subcontractors and contractors party to such agreements may be required by Law to execute certain certifications and affidavits for the benefit of the Owner. Accordingly, as part of the

Legal Compliance Policies, and notwithstanding any conflicting provisions of this Agreement requiring Manager to incorporate certain provisions into such subcontracts or contracts or requiring such subcontractors and contractors to execute certificates or affidavits, Owner and Manager shall also mutually determine which such provisions must be incorporated into subcontracts and Hotel contracts, what modifications may be required to adapt such provisions for the context of subcontracts and Hotel contracts, the specific types of subcontracts and Hotel contracts into which of those provisions must be incorporated and what certificates or affidavits such subcontractor and contractors may be required to execute. Notwithstanding the foregoing, or anything to the contrary in this Section 15 or otherwise in this Agreement, any obligation to incorporate or include such specific contract provisions shall not extend to contracts, agreements and other arrangements (i) provided as part of the Chain Services or Direct Deductions Services, (ii) procured through Manager's Centralized Purchasing Services, (iii) on forms provided "system wide" to the Hotel and any of the other Brand Hotels, (iv) that consist of booking, sales and distribution, and other similar agreements entered into by Manager in the normal course of business, (v) that consist of insurance policies required to be provided by Manager hereunder. Manager shall ensure that its operation of the Hotel is in compliance with such Legal Compliance Policies, subject to the funds necessary for such compliance being available to Manager under this Agreement. To the extent that any Legal Compliance Policies conflict with any of the terms and conditions of this Agreement, the Parties will reasonably cooperate to modify this Agreement or other aspects of Hotel operations in order to achieve compliance with the Legal Compliance Policies.

Subject to the foregoing, the Manager shall comply, and shall cause its agents, employees and contractors to comply, with all applicable Laws, including the following Laws, with respect to the operation of the Hotel:

(a) Non-Discrimination.

(i) *Federal Requirements*:

(A) Manager for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration of this Agreement, covenants and agrees with a covenant running with the land that: (i) no person on the grounds of race, color, or national origin will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination in the use of the Site or the Hotel; (ii) in the construction of any improvements on, over, or under the Site or the Hotel and the furnishing of services in the Hotel, no person on the grounds of race, color, or national origin will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination; (iii) Manager will use the Site and the Hotel in compliance with all other requirements imposed by or under 49 C.F.R. Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as those regulations may be amended and all other requirements imposed by or pursuant to the List of Pertinent Nondiscrimination Acts and Authorities (set forth below and in Appendix E of Appendix 4 of FAA Order 1400.11, Nondiscrimination in Federally-Assisted Programs at the Federal Aviation

Administration), and as that List may be amended; and (iv) Manager shall manage the Hotel on a fair, equal, and non-discriminatory basis. In addition to complying with Title VI of the Civil Rights Act of 1964, Manager assures that it will comply and will cause its employees, agents and contractors to comply with all other pertinent statutes, including but not limited to 49 USC 47123, Executive Orders and the rules as are promulgated to assure that no person will, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefitting from federal assistance. In the event of breach of any of the above nondiscrimination covenants, City will have the right to terminate the Agreement and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said Agreement had never been made or issued.

(B) It is an unlawful practice for Manager to, and Manager must at no time: (i) fail or refuse to hire, or discharge, any individual or discriminate against the individual with respect to his or her compensation, or the terms, conditions, or privileges of his or her employment, because of the individual's race, creed, color, religion, sex, age, handicap or national origin; or (ii) limit, segregate, or classify its employees or applicants for employment in any way that would deprive any individual of employment opportunities or otherwise adversely affect his or her status as an employee, because of the individual's race, creed, color, religion, sex, age, handicap or national origin; or (iii) in the exercise of the privileges granted in this Agreement, discriminate or permit discrimination in any manner, including the use of the Site or the Hotel, against any person or group of persons because of race, creed, color, religion, national origin, age, handicap, sex or ancestry. Manager must post in conspicuous places to which the Hotel Employees or applicants for employment at the Hotel have access, notices setting forth the provisions of this non-discrimination clause.

(C) The Manager shall comply with The Civil Rights Act of 1964, 42, U.S.C. Sec. 2000 *et seq.* (1981), as amended, and to the extent required by the law, must undertake, implement and operate an affirmative action program in compliance with the rules and regulations of the Federal Equal Employment Opportunity Commission and the Office of Federal Contract Compliance, including 14 CFR Part 152, Subpart E. Attention is called to: Executive Order No. 11,246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. 2000(e) note, as amended by Executive Order No. 11,375 32 Fed. Reg. 14,303 (1967) and by Executive Order No. 12,086, 43 Fed. Reg. 46,501 (1978); the Age Discrimination Act, 43 U.S.C. Sec. 6101-6106 (1981); Age Discrimination in Employment Act, 29 U.S.C. Sec. 621-34; the Rehabilitation Act of 1973, 29 U.S.C. Sec. 793-794 (1981); the Americans with Disabilities Act, 42 U.S.C. Sec. 12101 *et seq.*; 41 C.F.R. Part 60 *et seq.* (1990) and 49 CFR Part 21, as amended (the

"ADA"); and all other applicable federal statutes, regulations and other laws.

(D) The Manager agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision binds the Manager and subtier contractors from the bid solicitation period through the completion of the Agreement. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

(E) During the performance of this Agreement, the Manager for itself, its assignees, and successors in interest (hereinafter referred to in this subsection (E) as the "Manager") agrees as follows:

(i) **Compliance with Regulations**: The Manager (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

(ii) **Non-discrimination**. The Manager, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Manager will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

(iii) **Solicitations for Subcontracts, Including Procurements of Materials and Equipment**: In all solicitations, either by competitive bidding or negotiation made by the Manager for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Manager of the Manager's obligations under this Agreement and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

(iv) **Information and Reports**: The Manager will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit

access to the Hotel's books, records, accounts, other sources of information, and Hotel facilities as may be determined by the City or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of Manager is in the exclusive possession of another who fails or refuses to furnish the information, the Manager will so certify to the City or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

(v) **Sanctions for Noncompliance**: In the event of a Manager's noncompliance with the Non-discrimination provisions of this Agreement, the City will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

(a) Withholding payments to the Manager under the Agreement until the Manager complies; and/or

(b) Cancelling, terminating or suspending an Agreement, in whole or in part

(vi) **Incorporation of Provisions**: The Manager will include the provisions of paragraphs (i) through (vi) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The Manager will take action with respect to any subcontract or procurement as the City or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Manager becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Manager may request the City to enter into any litigation to protect the interests of the City. In addition, the Manager may request the United States to enter into the litigation to protect the interests of the United States.

(F) **Title VI List of Pertinent Nondiscrimination Acts and Authorities:**

During the performance of this Agreement, the Manager, for itself, its assignees, and successors in interest (hereinafter referred to in this subsection (F) as the "Manager") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d *et seq.*, 78 stat. 252), (prohibits

discrimination on the basis of race, color, national origin);

- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation – Effectuation of Title VI of The Civil Rights Act of 1964);

- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. §4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. §794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;

- The Age Discrimination Act of 1975, as amended, (42 U.S.C. §6101 *et seq.*), (prohibits discrimination of the basis of age);

- Airport and Airway Improvement Act of 1982, (49 U.S.C. §471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);

- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§12131-12189) as implemented by

Department of Transportation regulations at 49 CFR parts 37 and 38;

- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. §47123) (prohibits discrimination on the basis of race, color, national origin and sex);

- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);

- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 *et seq.*).

(ii) *State Requirements:* The Manager shall comply with the Illinois Human Rights Act, 775 ILCS 5/1-101 *et seq.* (1990), as amended, and any rules and regulations promulgated in accordance with it, including the Equal Employment Opportunity Clause, 5 Ill. Admin. Code Sec. 750 Appendix A; the Public Works Employment Discrimination Act, 775 ILCS 10/0.01 *et seq.* (1990), as amended; the Discrimination in Public Contracts Act, 775 ILCS 10/0.01 *et seq.* (1990), as amended; and the Environmental Barriers Act, 410 ILCS 25/1 *et seq.* (1985), as amended; and all other applicable state statutes, regulations and other laws.

(iii) *City Requirements:* The Manager shall comply with the Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 *et seq.* of the Municipal Code of Chicago, as amended from time to time (the "Municipal Code"), as amended and all other applicable City ordinances and rules. Further, the Manager shall furnish such reports and information

with respect to the Hotel as requested by the Chicago Commission of Human Relations.

(iv) Manager must insert these non-discrimination provisions in any agreement by which Manager grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public on the Site or at the Hotel. Manager must incorporate all of the above provisions in all agreements entered into with any suppliers of materials, furnishers of services, contractors of any tier, and labor organizations that furnish skilled, unskilled and craft union skilled labor, or that may provide any such materials, labor or services in connection with this Agreement, and Manager must require them to comply with the law and enforce the requirements. In all solicitations either by competitive bidding or negotiations by Manager for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential contractor or supplier must be notified by Manager of the Manager's obligations under this Agreement relative to nondiscrimination.

(v) Non-compliance with this Section will constitute a material breach of this Agreement; therefore, in the event of such breach, Manager authorizes the City to take such action as federal, state or local laws permit to enforce compliance, including judicial enforcement. In the event of Manager's noncompliance with the nondiscrimination provisions of this Agreement, the City may impose such sanctions as it or the federal or state government may determine to be reasonably appropriate, including cancellation, termination or suspension of the Agreement, in whole or in part.

(vi) Manager must permit access to the Hotel's books, records, accounts, other sources of information, and the Hotel facilities as may be determined by the City, the Commissioner or the Federal government to be pertinent to ascertain compliance with the terms of this Section. Manager must furnish to any agency of the federal or state government or the City, as required, any and all documents, reports and records required by Title 14, Code of Federal Regulations, Part 152, Subpart E, including an affirmative action plan and Form EEO-1.

(b) Equal Employment Opportunity. In the event of the Manager's non-compliance with the provisions of this equal employment opportunity provision in this Section 15.1(b), the Illinois Human Rights Act, 775 ILCS 5/1-101 *et. seq.* (1998) (the "Illinois Human Rights Act"), or the Rules and Regulations of the Illinois Department of Human Rights ("Department"), the Manager may be declared ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporation, and this Agreement may be canceled or voided in whole or in part, and such other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation. During the performance of this Agreement, the Manager agrees as follows:

(i) That it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Section 2-160-010, *et. seq.*, of the Municipal Code of Chicago, as amended from time to time (the "Human Rights Ordinance"); and further that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization. The Manager and each of its contractors shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon the foregoing grounds, and are treated in a non-discriminatory manner with regard to all job-related matters, including, without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Manager agrees to post in conspicuous places, available to Hotel Employees and applicants for employment at the Hotel, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, Manager, in all solicitations or advertisements for Hotel Employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon the foregoing grounds.

(ii) That if it hires additional Hotel Employees in order to perform its obligations under this Agreement, it will determine the availability, in consultation with the Owner, of minorities and women in the area(s) from which it may reasonably recruit and it will hire for each job classification for which employees are hired in such a way that minorities and women are not underutilized.

(iii) That to the greatest extent feasible, Manager will present opportunities for training and employment of low and moderate income residents of the City, and provide that contracts for work in connection with any construction at the Site be awarded to business concerns which are located in or owned in substantial part by persons residing in the City.

(iv) That Manager will comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including, without limitation, the Human Rights Ordinance and the Illinois Human Rights Act, both as amended from time to time, and any regulations promulgated thereunder.

(v) That, in all solicitations or advertisements for Hotel Employees placed by it or on its behalf, it will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental

handicap unrelated to ability, or an unfavorable discharge from military service.

(vi) That it will send to each labor organization or representative of workers with which the Hotel is bound by collective bargaining or other agreements, a notice advising such labor organization or representative of its obligation under the Illinois Human Rights Act. If any such labor organization or representative fails or refuses to cooperate with it in its efforts to comply with such Act, it will promptly so notify the CDA and the City and will recruit employees from other sources when necessary to fulfill its obligations hereunder.

(vii) That it will furnish all relevant information as may from time to time be reasonably requested by the CDA, and in all respects comply with the Illinois Human Rights Act to report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

(viii) That it will permit access to all relevant Hotel books, records, accounts, and work sites by personnel of the City and the CDA for purposes of investigation to ascertain compliance with the Illinois Human Rights Act.

(ix) That it will include, verbatim or by reference, the provisions of this Section 15.1(b) in every construction contract it awards under which any portion of the obligations are undertaken or assumed, so that such provisions will be binding upon such contractor. In the same manner as with other provisions of this Agreement, the Manager will be liable for compliance with applicable provisions of this clause by its contractors; and further it will promptly notify the City and the CDA in the event any contractor fails or refuses to comply therewith. In addition, the Manager will not utilize any contractor declared by the Illinois Human Rights Commission to be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivision or municipal corporations.

(x) Manager shall comply with all federal and state laws and City regulations pertaining to Civil Rights and Equal Opportunity, including executive orders and rules and regulations of appropriate federal and state agencies unless otherwise exempt therein.

(c) Limited English Proficiency. The City is committed to compliance with federal Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency ("LEP"), and related FAA guidance. Manager must cooperate with the City in updating and implementing the LEP access plan. This may include but is not limited to collecting demographic data and conducting surveys of LEP customers, providing multilingual signage and menus, and hiring multilingual staff.

(d) Federal Fair Labor Standards Act. This Agreement and any subcontracts incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers.

The Manager has full responsibility to monitor compliance with the referenced statute or regulation. The Manager must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division ("DOL/WH"), to the extent any such claims or disputes are filed with or raised by the DOL/WH.

(e) Chapter 2-56 of the Municipal Code, Office of Inspector General.

(i) It shall be the duty of the Manager and all of its officers, directors, agents, partners, and employees, to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code. The Manager understands and will abide by all provisions of Chapters 2-56 of the Municipal Code.

(ii) All contracts shall inform contractors of this provision and require understanding and compliance herewith.

(iii) Pursuant to Section 2-156-018 of the Municipal Code, it is the duty of Manager to report to the Inspector General, directly and without undue delay, any and all information concerning conduct which it knows to involve corrupt activity. "Corrupt activity" means any conduct set forth in Subparagraph (a)(1), (2) or (3) of section 1-23-020 of the Municipal Code. Knowing failure to make such a report will be an event of default under this Agreement. Reports may be made to the Inspector General's toll free hotline.

(f) Governmental Ethics Ordinance. The Manager shall comply with Chapter 2-156 of the Municipal Code, "Governmental Ethics," including but not limited to Section 2-156-120 of Chapter 2-156 of the Municipal Code pursuant to which no payment, gratuity or offer of employment shall be made in connection with any City contract, by or on behalf of a subcontractor to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order; and Manager further acknowledges that any agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156 of the Municipal Code is voidable as to the City.

(g) Anti-Scofflaw Ordinance. In accordance with Section 2-92-380 of the Municipal Code, and in addition to any other rights and remedies (including any of set-off) available to the City under this Agreement or permitted at law or in equity, the City shall be entitled to set off a portion of any amounts due to the Manager by the City under this Agreement in an amount equal to the amount of the fines and

penalties for each outstanding parking violation complaint and/or the amount of any debt owed by the Manager to the City. For purposes of this Section, "outstanding parking violation complaint" means a parking ticket, notice of parking violation or parking violation complaint on which no payment has been made or appearance filed in the Circuit Court of Cook County within the time specified on the complaint. "Debt" means a specified sum of money owed to the City for which the period granted for payment has expired.

(h) Americans with Disabilities Act.

(i) Any and all design specifications for the Hotel provided by Manager, if any, shall comply with all Federal, State and local laws and regulations regarding accessibility standards for disabled or environmentally limited persons including, but not limited to, the following: Americans with Disabilities Act, P.L. 101-336 (1990), 42 U.S.C. 12101 *et seq.* and the Uniform Federal Accessibility Guidelines for Buildings and Facilities and, the Illinois Environmental Barriers Act, 4 10 ILCS 25/1 *et seq.* (1991), and the regulations promulgated thereto at 71 Ill. Admin. Code Ch. 1, Sec. 400.110. In the event that the above cited standards are inconsistent, the Manager shall comply with the standard providing greater accessibility.

(ii) All construction or improvements undertaken by the Manager, if any, in connection with this Agreement, if any, shall be performed in compliance with all Federal, State and local laws and regulations regarding accessibility standards for disabled or environmentally limited persons including, but not limited to, the following: American with Disabilities Act, P.L. 101-336 (1990), 42 U.S.C. 12101, *et seq.* and the Uniform Federal Accessibility Standards for Americans with Disabilities; and the Illinois Environmental Barriers Act, 410 ILCS 25/1 *et seq.* (1991), and the regulations promulgated thereto at 71 Ill. Adm. Code Ch. 1, Sec. 400.110.

(iii) The City encourages Manager to use contractors that are firms owned or operated by individuals with disabilities, as defined by Section 2-92-586 of the Municipal Code, where not otherwise prohibited by federal or state law.

(i) Visual Artists Rights Act Waiver.

(i) The Manager shall not enter into any agreements as the Owner's agent for the provision of Artwork to the Hotel or the Site without the Owner's express written approval of the agreement. The Manager will assist the Owner to ensure that in the event that any work of visual art, as defined in Section 101 of the United States Copyright Act, (17 U.S.C. § 101 *et seq.*) (the "Copyright Act") installed at the Hotel (the "Artwork"), the author of that Artwork waives in writing any and all rights in the Artwork that may be granted or conferred on the Artwork under Section 106A(a)(3) and Section 113(d) of the Copyright Act. The above waiver must include, but

is not limited to, the right to prevent the removal, storage, relocation, reinstallation, or transfer of the Artwork. The Manager will assist the Owner in ensuring that the author of the Artwork acknowledges that such removal, storage, relocation, reinstallation or transfer of the Artwork may result in the destruction, distortion, mutilation or other modification of the Artwork. Further, the Manager will assist the Owner in ensuring that the author of the Artwork acknowledges that the Artwork may be incorporated or made part of a building or other structure in such a way that removing, storing, relocating, reinstalling or transferring the Artwork will cause the destruction, distortion, mutilation or other modification of the Artwork and hereby consents to such destruction, distortion, mutilation or other modification, by reason of its removal, storage, relocation, or reinstallation.

(ii) The Manager will obtain or assist the Owner in obtaining a written waiver of all rights under Section 106A(a)(3) and Section 113(d) of the Copyright Act as necessary from any contractors, subcontractors, subtenants or any artists. The Manager will provide the Owner with or assist the Owner in obtaining copies of any such waivers required by Section 106A and Section 113 of the Copyright Act prior to installation of any Artwork on the Site.

(j) Intentionally Deleted.

(k) Disclosure of Ownership. In connection with Section 2-92-320 of the Municipal Code, Manager has executed an Economic Disclosure Statement and Affidavit ("EDS") which is attached to this Agreement as **Exhibit G** and which contains a certification as required under the Illinois Criminal Code, 720 ILCS 5/33E, and under the Illinois Municipal Code, 65 ILCS 5/8-10-1 *et seq.* Ineligibility under Section 2-92-320 of the Municipal Code continues for 3 years following any conviction or admission of a violation of Section 2-92-320. For purposes of Section 2-92-320, when an official, agent or employee of a business entity has committed any offense under the section on behalf of such an entity and under the direction or authorization of a responsible official of the entity, the business entity is chargeable with the conduct. If required pursuant to the Legal Compliance Policies, the Manager shall cause contractors entering into agreements with Manager as agent of the Owner with respect to the Hotel to execute an EDS, including the Disclosure of retained parties. If, after Manager enters into a contractual relationship as agent of the Owner with such a contractor, it is determined that the contractual relationship is in violation of this subsection, Manager must immediately cease to use the contractor. All contracts must provide that Manager is entitled to recover all payments made by it or the Owner to the contractor if, before or subsequent to the beginning of the contractual relationship, the use of the contractor would be violative of this Section.

In addition, pursuant to Chapters 2-92 and 2-154 of the Municipal Code, the Manager and any person having more than a seven and one-half percent (7½%) direct or indirect ownership interest in the Manager, and any person, business entity or agency contracting with the City shall be required to complete Part I, Disclosure of Ownership Interests, and Part VIII, Certification Regarding Business Relationships with Elected Officials, of the Disclosure Affidavit.

Manager must provide evidence of its authority to do business in the State of Illinois including, if applicable, certifications of good standing from the Office of the Secretary of State of Illinois, and appropriate resolutions or other evidence of the authority of the persons executing this Agreement on behalf of Manager.

Upon request by the Commissioner, Manager must further cause its proposed transferees (and their respective 7.5 percent owners) to submit an EDS to the Commissioner. Manager must provide the Commissioner, upon request, a "no change" affidavit if the information in the EDS(s) attached as **Exhibit G** remains accurate, or revised and accurate EDS(s) if the information contained in the attached EDS(s) has changed. In addition, Manager must provide the City revised and accurate EDS(s) within thirty (30) days of Manager becoming aware of any event or change in circumstance that renders the EDS(s) inaccurate. Failure to so timely provide accurate EDS(s) to the City is an Event of Default.

(l) City Requirements for Construction Work. In the event that Manager enters into agreements for construction work relating to the Hotel, Manager must coordinate with Owner to ensure that all appropriate contract provisions required by the City for City of Chicago contracts for construction work are included, many of which are referenced in Chapter 2-92 of the Municipal Code. In addition to compliance with the PLA described in Section 4.3(d), and compliance with the Illinois Prevailing Wage Act, these provisions may include, but are not limited to, requirements for a Performance and Payment Bond, prohibition on the use of retainage, prompt payment requirements, requirements that a certain percentage of workers be actual residents of the City of Chicago, requirements for clean diesel, and for use of pedestrian safety enhancing equipment on large vehicles. They may also include goals for participation by minority and women-owned businesses. This may additionally entail community outreach efforts by the applicable contractor. Contracts for construction work relating to the Hotel with payments in excess of $100,000 must be approved by Owner in accordance with Section 2.2.

(m) Business Relationships with Elected Officials. Pursuant to Section 2-156-030(b) of the Municipal Code, it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected official has a business relationship that creates a financial interest on the part of the official, the domestic partner or spouse of the official, or from whom or which such official has derived any income or compensation during the preceding twelve (12) months or from whom such

official reasonably expects to derive any income or compensation in the following twelve (12) months (a "Business Relationship"), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has such a business relationship. Violation of Section 2-156-030(b) by any elected official with respect to this Agreement shall be grounds for termination of this Agreement.

(n) Occupational Safety and Health Act. The Manager shall comply with the requirements of 29 CFR Part 1910) – Safety and Health Regulations for Construction of the Williams-Steiger Occupational Safety and Health Act of 1970, 40 U.S.C. 333 *et seq.* ("OSHA"). This Agreement and any subcontracts incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Manager must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Manager retains full responsibility to monitor its compliance and its subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Manager must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration ("DOL/OSHA"), to the extent any such claims or disputes are filed with or raised by the DOL/OSHA. Copies may be obtained from the Regional Administrator of the Department of Labor, Federal Office Building, Chicago, Illinois. Manager's attention is directed to the "Health and Safety Act" of the State of Illinois, 820 ILCS 225/1 *et seq.* The rules issued pursuant to this Act are on file with the Secretary of State of Illinois and are identical in every respect to the standards in effect under OSHA law pursuant to orders of the Illinois Industrial Commission. The standards require that Manager provide reasonable protection to the lives, health, and safety of all persons employed under this Agreement.

(o) The Manager shall comply with the Illinois Public Mechanics' Lien Act, 770 ILCS 60/1 *et seq.* and any rules or regulations promulgated thereunder, as may be amended from time to time.

(p) The Manager shall comply with the Wage Payment and Collection Act, 820 ILCS 115/1 *et seq.* and any rules or regulations promulgated thereunder, as may be amended from time to time.

(q) Airport Security.

(i) This Agreement is expressly subject to the airport security requirements of Title 49 of the United States Code, Chapter 449, as amended ("Airport Security Act"), the provisions of which govern airport security, including the rules and regulations promulgated under it. Manager is subject to, and further must conduct with respect to its contractors and the respective employees of each, such employment investigations, including criminal

history record checks and security threat assessments as the Commissioner, the Transportation Security Agency (the "TSA") or the FAA may deem necessary. Further, in the event of any threat to civil aviation, as defined in the Airport Security Act, Manager must promptly report any known information in accordance with those regulations promulgated by the United States Department of Transportation, the TSA and by the City. Manager must, notwithstanding anything contained in this Agreement to the contrary, perform under this Agreement in compliance with those guidelines developed by the City, the TSA and the FAA with the objective of maximum security enhancement. The drawings, plans, and specifications provided by Manager under this Agreement, if any, must comply with those guidelines for airport security developed by the City, the TSA and the FAA and in effect at the time of their submission.

(ii) Further, Manager shall comply with, and require compliance by its contractors, suppliers of materials and furnishers of services and employees with all present and future laws, rules, regulations, or ordinances promulgated by the City, the TSA or the FAA, or other governmental agencies to protect the security and integrity of the Airport, and to protect against access by unauthorized persons. Manager shall adopt procedures to control and limit access to the Airport and the Site by Manager and its contractors, suppliers of materials and furnishers of services, employees, in accordance with all present and future City, TSA and FAA laws, rules, regulations, and ordinances. At all times during the Term, Manager must have in place and in operation a security program for the Site and the Hotel that complies with all applicable laws and regulations.

(iii) Gates and doors located in the Hotel, if any, that permit entry into restricted areas at the Airport must be kept locked by Manager at all times when not in use. Gate or door malfunctions must be reported to the Commissioner or the Commissioner's designee without delay and must be kept under constant surveillance by Manager until the malfunction is remedied.

(iv) In connection with the implementation of its security program, Manager may receive, gain access to or otherwise obtain certain knowledge and information related to the City's overall Airport security program. Manager acknowledges that all such knowledge and information is of a highly confidential nature. Manager covenants that no person will be permitted to gain access to such knowledge and information, unless the person has been approved by the Commissioner in advance in writing.

(v) To the extent any of Manager's employees require identification badges or security clearance for access at secured areas of the Airport, Manager shall be responsible for securing such badges or clearance, the cost of which

shall be an Operating Expense. If at any time more than five percent (5%) of all issued unexpired badges issued to Manager's employees for any non-public area are lost, stolen, or otherwise unaccounted for, and the Department is required to reissue badges for that non-public area per the TSA, the Manager shall be liable to the City for the cost of that reissuance.

(vi) Manager further must indemnify, hold harmless and defend the City from and against any and all claims, reasonable costs, reasonable expenses, damages and liabilities, including all reasonable attorney's fees and costs, resulting directly from the breach of Manager's covenants and agreements as set forth in this Section 15.1(q). Such costs shall not be an Operating Expense.

(r) Eligibility to do Business with the City. Failure by the Manager or any controlling person (as defined in Section 1-23-010 of the Municipal Code) thereof to maintain eligibility to do business with the City as required by Section 1-23-030 of the Municipal Code shall be grounds for termination of this Agreement.

15.2 Ethics/Conflicts of Interest

The Manager represents and warrants that:

(a) To the actual knowledge of the Manager Knowledge Party, after reasonable inquiry or investigation, no officer, agent or employee of the City is employed by the Manager or has a personal or financial interest directly or indirectly, in the Manager, this Agreement, the Hotel, or the compensation to be paid under this Agreement except as may be permitted in writing by the Board of Ethics established under the Municipal Code (Chapter 2-156) or as may be permitted by law or to the extent any such individual or entity has an interest through ownership of publicly traded stock. "Manager Knowledge Party" shall initially mean Gregory Rockett, in his capacity as Vice President of Corporate Hotel Development at Manager's parent company, and may be changed by written notice to the Owner. It is expressly agreed that the Manager Knowledge Party shall have no personal liability in connection with this Agreement or the transactions contemplated hereby.

(b) No payment, gratuity or offer of employment will be made in connection with this Agreement by or on behalf of the Manager or any of its Affiliates, as an inducement for the award of a contract, subcontract or order.

The Manager further acknowledges that any agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156 is voidable as to the City.

15.3 Conflicts of Interest

(a) No member of the governing body of the City or other unit of government and no other officer, employee or agent of the City or other unit of government who

exercises any functions or responsibilities in connection with this Agreement is permitted to have any personal interest, direct or indirect, in this Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of the City or City employee is allowed to be admitted to any share or part of this Agreement or to any financial benefit to arise from it.

(b) The Manager covenants that it, and to the best of its knowledge, its contractors presently have no direct or indirect interest and will not acquire any interest, direct or indirect, in any project or contract that would conflict in any manner or degree with the performance of its obligations under this Agreement.

(c) The Manager further covenants that, in the performance of this Agreement, no person having any conflicting interest will be assigned to perform any obligations or have access to any confidential information, if any, under this Agreement. If the City, by the Commissioner in her or his reasonable judgment, determines that any of Manager's obligations for others conflict with the Manager's obligations under this Agreement, Manager must reassign such person or take other appropriate measures to address the conflict promptly upon request of the City.

15.4 Affirmative Action Program

The Manager assures the City that, in connection with the operation of the Hotel pursuant to this Agreement and to the extent required by Laws, it will undertake an affirmative action program which sets forth all applicable Federal standards as required by 14 C.F.R. Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, religion, age, national origin, or sex be excluded from participating in any employment activities covered in 14 C.F.R. Part 152, Subpart E. The Manager assures that, in connection with the operation of the Hotel pursuant to this Agreement to the extent required by Laws, no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by Subpart E. The Manager assures the City that, in connection with the operation of the Hotel pursuant to this Agreement to the extent required by Laws, the Manager will require its covered sub-organizations to provide assurances to the Manager that they similarly will undertake an affirmative action program and that they will require assurances from their organizations, as required by 14 C.F.R., Part 152, Subpart E, to the same effect.

15.5 Manager's ACDBE Commitment

This Agreement is subject to the requirements of the U.S. Department of Transportation's regulations at 49 C.F.R. Parts 23 and 26, as amended from time to time. The City has implemented an Airport Concession Disadvantaged Business Enterprise ("ACDBE") Program under which qualified firms may have the opportunity to participate in the ownership and operation of Airport concession businesses. An ACDBE goal of fifteen percent (15%), as measured by total estimated annual Gross Receipts (including those attributable to the F&B Operator, whether engaged by Owner or by Manager as agent for Owner) following the Effective Date has been established for the Hotel under this Agreement and is intended to be established

for the New Hotel under the Possible New Hotel Management Agreement. If the parties enter into the Possible New Hotel Management Agreement, then for purposes of ACDBE compliance, both the Existing Hotel and the New Hotel shall be viewed as one concession and the 15% goal shall apply to total Gross Receipts from both the Existing Hotel and the New Hotel. During the Term, Manager shall provide the City with an annual report (or as more frequently as may be required by the City) in the format required by the FAA evidencing Manager's good faith efforts of reaching the goal of 15% participation by ACDBEs (certified either by the City or pursuant to the Illinois Unified Certification Program) in the management and operation of the Existing Hotel and, if the parties enter into the Possible New Hotel Management Agreement, the New Hotel.

ACDBE participation must be, to the greatest extent practicable, in the form of direct ownership, management and operation of the concession or the ownership, management and operation of specific concession locations. However, the City will also consider participation through (1) a joint venture in which ACDBEs control a distinct portion of the joint venture business and/or (2) Manager's purchase of goods and services from ACDBEs. Additionally, prior to the opening of the Hotel, purchasing and installation of FF&E/OS&E will be counted as MBE/WBE participation. Subsequent to the opening of the Hotel, purchasing and installation of FF&E/OS&E may be counted as ACDBE participation. The same entity may provide these services first as an MBE/WBE prior to opening and then as an ACDBE subsequent to opening, if it possesses both certifications.

Manager shall use good faith efforts to assist the City in reaching and attempt to exceed its goal of 15% participation by ACDBEs in the management and operation of the Existing Hotel and, if the parties enter into the Possible New Hotel Management Agreement, the New Hotel. Manager acknowledges that the Special Conditions Regarding ACDBE Participation attached hereto as **Exhibit K-1** shall be utilized by the Owner in evaluating whether Manager has used good faith efforts to assist the City in reaching such goal. The Parties will consider such Special Conditions Regarding ACDBE Participation as part of the discussion and collaboration by the Parties in establishing the Legal Compliance Policies pursuant to Section 15.1. Failure to comply with this Section 15.5 by the Manager shall be a default under this Agreement.

Manager shall provide all information and reports as may be required by the City and shall permit access to Hotel books, records and accounts and facilities (other than Manager Intellectual Property and Hotel Employee records) to determine compliance with this Section. Commencing on the Opening Date and continuing thereafter during the Term, Manager shall provide semi-annual reports to the City (in addition to the annual report referenced above). Said reports shall be in a format acceptable to the City and shall provide the level of ACDBE participation for the period in question and on a year-to-date basis, including the percentage of Gross Receipts attributable to each ACDBE entity. To the extent ACDBE participation is in the form of joint venture, Manager (or a consultant at Manager's expense) will be responsible to work with and assist the certifying agency in the evaluation of the work performed by the ACDBE with the ACDBE's own forces to ensure that it meets the Manager's stated ACDBE goals in accordance with the FAA's ACDBE joint venture guidance. During the Term, Manager shall prepare, and the CDA shall be responsible for submitting, any and all ACDBE reports to the FAA.

Manager agrees to insert appropriate provisions regarding ACDBE compliance in all subcontracts or other agreements entered into as agent on behalf of the City with ACDBEs relating to maintaining records of and reporting ACDBE participation in agreements covering work under this Agreement and to use its commercially reasonable efforts to enforce compliance of all ACDBE contractors with the requirements of those provisions.

The Parties acknowledge that Manager has identified certain M/WBE and ACDBE target vendors for the Hotel although it is under no obligation to use these targets. The targets and additional opportunities are identified on **Exhibit K-2.**

15.6 No Personal Liability of Agents

No agent, employee or official of the City shall be personally liable to the Manager in the event of any default or breach by the City or for any amount which may become due to the Manager or with respect to any commitment or obligation of the City under the terms of this Agreement.

15.7 Business Relationships

The Manager acknowledges (a) receipt of a copy of Municipal Code Section 2-156-030 (b) that it has read such provision and understands that pursuant to such Section 2-156-030(b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a Business Relationship or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (c) notwithstanding anything to the contrary contained in this Agreement, that a violation of Section 2-156-030(b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Manager hereby represents and warrants that, to the actual knowledge of Manager Knowledge Party after reasonable investigation or inquiry, no violation of Section 2-156-030(b) has occurred with respect to this Agreement or the transactions contemplated hereby.

15.8 Federal Terrorist (No-Business) List

The Manager represents and warrants that neither the Manager nor any Affiliate is debarred from doing business with the City or listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable laws: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

15.9 Prohibition on Certain Contributions; Mayoral Executive Order No. 2011-04

(a) The Manager agrees that the Manager, and any person or entity who directly or indirectly has an ownership or beneficial interest in the Manager of more than

7.5% (the "Owners"), and spouses and domestic partners of such Owners (the "Sub-owners") (Manager and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his or her political fundraising committee (i) after execution of this Agreement by Manager, (ii) while this Agreement or any Other Contract (as hereinafter defined) between the Manager and the City is executory, (iii) during the term of this Agreement or any Other Contract between Manager and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated. "Other Contract" for purposes of this Section 15.9 shall mean a "Contract" as defined in Mayoral Executive Order No. 2011-04.

(b) The Manager represents and warrants that since the date of public advertisement of the specification, request for qualifications, request for proposals or request for information (or any combination of those requests) or, if not competitively procured, from the date the Manager approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

(c) The Manager shall not: (i) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (ii) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (iii) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

(d) The Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

(e) Violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement.

(f) If Manager violates this provision or Mayoral Executive Order No. 2011-4 prior to award of the Agreement resulting from this specification, the City may reject Manager's bid.

(g) For purposes of this provision:

"Bundle" means to collect contributions from more than one source which is then delivered by one person to the Mayor or to his political fund-raising committee.

"Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code.

Individuals are "Domestic Partners" if they satisfy the following criteria: (a) they are each other's sole domestic partner, responsible for each other's common welfare; and (b) neither party is married; and (c) the partners are not related by blood closer than would bar marriage in the State of Illinois; and (d) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and (e) two of the following four conditions exist for the partners: (i) The partners have been residing together for at least 12 months; (ii) The partners have common or joint ownership of a residence; (iii) The partners have at least two of the following arrangements: a. a joint ownership of a motor vehicle; b. a joint credit account; c. a joint checking account; d. a lease for a residence identifying both domestic partners as Tenants; (iv) Each partner identifies the other partner as a primary beneficiary in a will.

"Political fund-raising committee" means a "political fund-raising committee" as defined in Chapter 2-156 of the Municipal Code.

15.10 Minimum Wage

Manager agrees that this Agreement is subject to Mayoral Executive Order 2014-1 ("Executive Order 2014-1"), which provides for a fair and adequate Minimum Wage to be paid to employees of City concessionaires and their contractors, subcontractors and sub-lessees. Manager and any of its contractors or subcontractors must pay the Minimum Wage set forth in Executive Order 2014-1 and comply with any applicable regulations issued by the Chief Procurement Office; provided, however, that pursuant to Section 4.3(a) hereof all Employee Costs are the responsibility of Owner and shall be paid by Manager, as agent for Owner, as an Operating Expense. As of July 1, 2015 the Minimum Wage for all employees to be paid pursuant to Executive Order 2014-1 is $13 per hour. This requirement applies to any employee working at the Airport. When the employer takes an allowance for gratuities pursuant to 820 ILCS 105/3(c), the employer shall base the calculation of the amount to be paid by the employer to the employee on the minimum wage as set forth in 820 ILCS 105/3, and add $1.00 per hour to that amount. As of July 1, 2015, the resulting amount to be paid, taking an allowance for gratuities, is $5.95 per hour.

Every July 1, these hourly wages shall increase in proportion to the increase, if any, in the Consumer Price Index for All Urban Consumers most recently published by the Bureau of Labor Statistics of the United States Department of Labor. Any hourly wage increase shall be rounded up to the nearest multiple of $0.05. Such increase shall remain in effect until any subsequent adjustment is made. On or about June 1 of each year, the City will use diligent efforts to make available to the Manager a bulletin announcing the adjusted minimum hourly wages for the upcoming twelve month period beginning July 1, and it is Manager's responsibility to pay the adjusted rate commencing each July 1.

Manager, and any contractors or subcontractors that pay an employee the wage for employees who receive gratuities, shall transmit to the City, in a manner provided by regulation,

substantial evidence establishing both the amount that the employee received as gratuities during the relevant pay period or periods, and the fact that the employee did not return any part of those gratuities to the Manager, contractor or subcontractor. If Manager, contractors, or subcontractor, is required by the Minimum Wage Law to provide substantially similar data to the Illinois Department of Labor, the City may allow compliance with this requirement by filing the same documentation with the City. The City shall utilize this data to ensure that each employee receives, in combined salary and gratuities, at least the base hourly wage required under Executive Order 2014-1.

However, the Minimum Wage is not required to be paid to categories of employees subject to subsection 4(a)(2), subsection 4(a)(3), subsection 4(d), subsection 4(e), or Section 6 of the Illinois Minimum Wage Law. Nevertheless, the Minimum Wage is required to be paid to those workers described in subsections 4(a)(2)(A) and 4(a)(2)(B) of the Illinois Minimum Wage Law.

Additionally, the Minimum Wage is not required to be paid to employees subject to a collective bargaining agreement that provides for different wages than those required by Executive Order 2014-1, if that collective bargaining agreement was in force prior to October 1, 2014 or if that collective bargaining agreement clearly and specifically waives the requirements of the order.

This Minimum Wage section does not apply if Manager is a not-for-profit organization having tax-exempt status under Section 501(c)(3) of the United States Internal Revenue Code and recognized under Illinois law governing not-for-profit corporations.

In the event that Executive Order 2014-1 is rescinded, Manager will be required to pay the higher of the rate specified in Section 2-92-610 of the Municipal Code, "Contracts requiring a base wage," Chapter 1-24 of the Municipal Code, or any state or federal minimum wage rate.

15.11 Sweatshop-Free Procurement

This Agreement may require the purchase of garments. Therefore, Manager must comply with the provisions of Municipal Code Section 2-92-605 with respect to the purchase of any garments for use at the Hotel.

(a) For the purpose of this Section 15.11, the following definitions apply:

"Abusive forms of child labor" means (1) work performed by a person under the age of 18 when the person does not voluntarily see the work or the person is threatened by the person's employer with physical, mental or emotional harm for nonperformance; (2) work performed by a person under the age of 18 in violation of the laws of the applicable jurisdiction governing the minimum age of employment, compulsory education, or occupational health and safety; or (3) the use of a person under the age of 18 for illegal activities, including but not limited to, the production or trafficking of illicit drugs or for prostitution.

"Subcontractor" means any person that enters into a subcontract agreement directly with the Manager for any work under this Agreement relating to the purchase of garments for use at the Hotel.

"Foreign convict or forced labor" means any form of labor used to produce or manufacture goods prohibited from importation into the United States under 19 U.S.C. § 1307, which includes abusive forms of child labor and slave labor.

"Garment" means any clothing, including uniforms, footwear, and related clothing accessories, such as hats and caps, ties, scarves, ribbons and shoestring.

"Slave labor" means any form of slavery, sale and trafficking of persons, debt bondage, indentured servitude, serfdom, or forced compulsory labor.

"Supply chain" means any manufacturer or distributor or garments.

"Sweatshop labor" means any work performed by a person engaged by a contractor or subcontractor, which has habitually violated laws of any applicable jurisdiction governing wages, working hours, overtime, employee benefits, occupational health and safety, nondiscrimination, or freedom of association. "Sweatshop labor" also means any work performed by a person engaged by a contractor or subcontractor that constitutes foreign convict or forced labor, or abusive forms of child labor or slave labor.

(b) In accordance with Municipal Code Section 2-92-605, Manager must:

(i) disclose to the City, using the Supply Worksheet form in such format specified by the City, information regarding Manager's Supply Chain for the acquisition of any garments pursuant to this Agreement, and cause each Subcontractor to disclose its own supply chain; and

(ii) Intentionally omitted.

(iii) Follow any rules or regulations issued by the Commissioner regarding the administration or enforcement of Municipal Code Section 2-92-605.

(c) Manager's failure to comply with this section will constitute an event of default. In the event of default for failure to comply with this section, the City shall notify Manager of such noncompliance and may, within the City's discretion: (1) issue Manager a 30-day opportunity to cure; (2) terminate the Agreement; or (3) terminate the Agreement and rebid the remaining term.

(d) This section shall not apply to the extent Municipal Code Section 2-92-605 is preempted by applicable federal or state law or to the extent it conflicts with the terms or conditions of a federal or State of Illinois grant agreement.

Section 16. SUCCESSORS AND ASSIGNS

16.1 Assignment by Manager

Manager shall have the right to assign its rights and obligations under this Agreement, without the prior written consent of Owner, to (a) any Affiliate of Manager, (b) any entity which may become an Affiliate as a result of a related and substantially current transaction, (c) any successor or assign of Manager which may result from any merger, consolidation or reorganization involving Manager, or (d) a corporation or other entity which shall acquire all or substantially all of the business and assets of Manager, provided that such assignee is able at the time of such assignment, whether directly, through an Affiliate, by contract or otherwise, to assure the uninterrupted operation of the Hotel in accordance with this Agreement and has the financial capability to fulfill Manager's obligations under this Agreement. Upon execution of any assignment permitted under this Section 16.1, Manager shall provide Owner with a copy of the assignment, and thereupon, except in the case of an assignment to an Affiliate of Manager, Manager shall be released of all of its covenants and liabilities hereunder, other than liabilities and other obligations accruing or based upon events occurring prior to the date of the delivery of such assignment to Owner. Any such release shall be contingent upon the delivery to Owner of an appropriate instrument whereby the assignee assumes all of Manager's obligations and liabilities hereunder in writing. In the event of an assignment to an Affiliate, Manager shall continue to remain primarily liable under this Agreement to the same extent as though such assignment had not been made.

"Affiliate" shall mean, as to any Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person. For purposes of this definition, the term "control" (including the terms "controlling," "controlled by" and "under common control with") of a Person means the possession, directly or indirectly, of the power: (i) to vote fifty percent (50%) or more of the voting stock or equity interests of such Person; or (ii) to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting stock or equity interests, by contract or otherwise.

"Person" shall mean an individual (and the heirs, executors, administrators, or other legal representatives of an individual), a partnership, a corporation, a limited liability company, a government or any department or agency thereof, a trustee, a trust and any unincorporated organization.

Notwithstanding the foregoing, Manager shall be prohibited from assigning this Agreement to any Prohibited Party. A "Prohibited Party" shall mean any person or entity (or any Affiliate of any Person) who: (i) is affiliated with the government of any country with which, or is itself a company with which, corporate citizens of the United States of America are prohibited from transacting business by any law, regulation or decree of the United States of America or its political subdivisions, is identified (or any of its principals or Affiliates is identified) either by name or an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control, or has violated any law prohibiting corrupt business practices, money laundering or the aid or support of persons or entities who conspire to commit acts of terror against any person or government, including acts prohibited by the U.S. Patriot Act and U.S. Executive Order 13224;

(ii) is known in the community as being of bad moral character, or has been convicted of a felony in any state or federal court, or is in control of or controlled by persons who have been convicted of felonies in any state or federal court; (iii) would cause the denial, threatened denial, loss, threatened loss or termination of any material license (including, without limitation, a liquor license) of Owner, the Hotel, Manager, or its Affiliates (except to the extent that the assignee is merely required to reapply for a license in its own name); or (iv) any person or entity that is debarred from doing business with the City.

Except as hereinabove provided, Manager shall not have the right to assign any of its rights, interests and/or obligations under this Agreement, without the consent of Owner, which consent may be withheld in Owner's sole and absolute discretion. Any assignment requiring City consent made without such City consent shall be void and of no effect. Further, any such assignment shall constitute an Event of Default subject to all remedies, including termination of this Agreement at the City's option, and does not relieve Manager of any of its obligations under this Agreement for the balance of the Term. This Section applies to prohibit an assignment, such as an assignment by a receiver or trustee in any federal or state bankruptcy, insolvency or other proceedings or by operation of law. Under no circumstances will any failure by the Commissioner to act on or submit any request by Manager to City Council or to take any other action as provided in this Agreement be deemed or construed to constitute consent to the Manager's request by the Commissioner or by the City Council.

16.2 Assignment by Owner

(a) A sale or other transfer of the Hotel (a "Sale") by Owner and an assignment of this Agreement and all of Owner's rights and all of Owner's duties hereunder by Owner is permitted without Manager's prior written consent, provided the following requirements are met:

(i) Owner delivers a notice (a "Transfer Notice") to Manager setting forth (a) the name of the Person to whom the Sale and transfer will be made (the "Transferee"); (b) a list of the names, addresses of the direct and indirect owners of the Transferee and, if the owners are individuals, the date, place of birth and country of residence; and (c) other information made available to Owner as a result of the transfer process, such notice to be given at least 30 days before finalizing the transfer;

(ii) the Transferee has sufficient financial resources to fulfill the obligations of "Owner" under this Agreement;

(iii) neither the Transferee nor any of its Affiliates is known in the community as being of bad moral character, or has been convicted of a felony involving moral turpitude, or is in control of or controlled by Persons who have been convicted of a felony involving moral turpitude;

(iv) neither the Transferee nor any of its Affiliates is, or has the direct or indirect power to direct or cause the direction of the management and policies of, a company that operates or licenses a collection or branded

chain of hotels or other lodging facilities that competes with Manager or its Affiliates; and

(v) neither the Transferee nor any of its Affiliates, nor any other Person that directly or indirectly owns, has an ownership interest in, or controls the Transferee or any of its Affiliates, is a Restricted Person, is a Specially Designated National or Blocked Person, or is a Prohibited Party.

(b) Without limiting the generality of and notwithstanding Section 16.2(a), Owner shall have the right to mortgage, hypothecate, encumber, pledge, assign or grant a security interest in the Hotel or this Agreement in connection with the Bonds or other financing transaction, subject to Section 31.13.

(c) Except in connection with a permitted termination of this Agreement under Section 3.4.2 or Section 3.6, upon the Sale of the Hotel, the purchaser or other transferee shall expressly assume, on the same exculpatory basis as provided in Section 27 herein, in writing, Owner's obligations under this Agreement, and this Agreement shall remain in full force and effect; provided that Manager shall have the right to require the Transferee, in an amendment hereto or other written agreement, to make and comply with certain representations, warranties and covenants regarding Specially Designated National or Blocked Persons and applicable anti-corruption laws. In such event, Owner shall have no further liability of whatsoever nature or kind to Manager with respect to the Hotel, as the case may be, and Manager and Owner shall release each other in writing from any liability relating to events occurring after such sale and any liability occurring prior to such sale, to the extent of such purchaser's or transferee's assumption thereof.

(d) For purposes of this Section 16.2, (i) the term "Sale" shall include, without limitation, the sale, transfer or assignment by Owner or other disposition of (x) any interest in the Hotel or this Agreement, (y) any interest in Owner equal to or in excess of fifty percent (50%) of the beneficial interest therein, or (z) a controlling interest in Owner (i.e., the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of Owner, whether through the ownership of voting securities or by contract or otherwise), and (ii) the term "Restricted Person" means a Person identified by any government or legal authority as a Person with whom Manager or its Affiliates are prohibited from transacting business, including a Person described in Section 1 of U.S. Executive Order 13224. Notwithstanding the foregoing, any transfer (other than a Foreclosure) to a Lender of a participation or any other interest in the Hotel pursuant to Section 16.2(b) or a transfer to a governmental entity that is a successor to Owner as a result of a legislative restructuring of Owner (or the reorganization or transfer of governmental responsibilities of Owner), shall not be deemed a Sale and Section 16.2(a) shall not apply to such transfers.

16.3 Binding on Successors

The terms, provisions, covenants, undertakings, agreements, obligations and conditions of this Agreement shall be binding upon and shall inure to the benefit of the successors in interest and the permitted assigns of the Parties hereto with the same effect as if mentioned in each instance where the Party hereto is named or referred to.

Section 17. NOTICES

Any notices or other communications pertaining to this Agreement must be in writing and are deemed to have been given by a party if sent by nationally recognized commercial overnight courier or registered or certified mail, return receipt requested, postage prepaid and addressed to the other party. Notices are deemed given on the date of receipt if by personal service, or one (1) day after deposit with a nationally recognized commercial overnight courier, three (3) days after deposit in the U.S. mails sent by certified mail, return receipt requested, postage prepaid, or otherwise upon refusal of receipt. Unless otherwise directed by Manager in writing, all notices or communications from City to Manager will be sent to Manager's notice address as set forth in this Agreement. All notices or communications from Manager to the City must be addressed to:

If to Owner:

Commissioner of Department of Aviation
City of Chicago
Department of Aviation
10510 West Zemke Road
Chicago, Illinois 60666

If to Manager:

Hilton Management LLC
7930 Jones Branch Drive
McLean, Virginia 22102
Attn: General Counsel

With a copy to:
Hilton Chicago O'Hare
O'Hare International Airport
Chicago, Illinois 60666
Attn: General Manager

With copies to:
First Deputy Commissioner.

City of Chicago, Department of Law
Aviation, Environmental, Regulatory and Contracts Division
30 North LaSalle Street, Suite 1400
Chicago, Illinois 60602
Attn: Deputy Corporation Counsel

If the notice or communication relates to payments to the City or relates to the insurance requirements, a copy must be sent to:

City Comptroller
City of Chicago
City Hall - Room 501
121 N. LaSalle Street
Chicago, Illinois 60602

Either Party hereto may change the address for notices hereunder by giving notice of such change to the other Party hereto in the manner hereinabove provided. If requested by Owner and if Manager is given the name and address of any mortgagee, trustee or bondholder, it will give copies of all notices given to Owner to such persons, in the manner set forth in this Section 17.

Section 18. APPROVALS

If a Party shall desire the approval of the other Party hereto to any matter, such Party may give written notice to the other Party that it requests such approval, specifying in such notice the matter as to which such approval is requested and reasonable detail respecting such matter. All approvals shall be in writing. Except as otherwise herein provided, no such approval shall be unreasonably withheld or delayed. Except as otherwise herein provided, if such other Party shall not give its approval in writing to such notice within thirty-five (35) days after receipt thereof, such other Party shall be deemed to have disapproved the matter referred to in such notice.

Section 19. MISCELLANEOUS INSTRUMENTS AND ESTOPPEL CERTIFICATES

19.1 Miscellaneous Instruments

Each Party shall further execute and deliver all such other appropriate supplemental agreements and other instruments and take such other action as may be necessary to make this Agreement fully and legally effective, binding and enforceable as between the Parties hereto as the other Party may reasonably request. Neither Party shall record this Agreement or any memorandum thereof.

19.2 Estoppel Certificates

Upon written request of either Party, the other Party shall, within thirty (30) days of such request, deliver to the requesting Party a statement certifying (a) that this Agreement is in full force and effect; (b) that the requesting Party has not breached its obligations hereunder (or, if such is not the case, that the requesting Party has breached its obligations and stating the nature of the breach and the date on which the certifying Party delivered notice of such alleged breach to the requesting Party); (c) the Opening Date; and (d) such other information as the requesting Party reasonably shall request.

Section 20. APPLICABLE LAW

This Agreement shall be governed in all respects by the internal laws of the State of Illinois, without regard to its Conflicts of Laws provisions.

Section 21. PAYMENT OF AMOUNTS DUE TO OWNER OR MANAGER

If, pursuant to the terms of this Agreement, the Term and Manager's management of the Hotel is terminated, Owner's obligations to pay to Manager any other amounts due to Manager hereunder and Manager's obligations to pay to Owner any amounts due to Owner hereunder, shall survive such termination and shall continue until all such amounts, with interest, are paid in full. If such termination is the result of condemnation of or a casualty to the Hotel, in each case in accordance with the terms of this Agreement, any condemnation award or insurance proceeds received by Owner shall be used to satisfy any holders of any mortgage or similar lien or any bond or other financing encumbering the Hotel or its revenues before payment of any amounts due to Manager under this Agreement; provided, however, nothing contained in this Section 21 shall release Owner from its obligation to pay all amounts due to Manager under and in accordance with this Agreement. Subject to Section 12.3, Manager shall have no right or interest in any condemnation award.

Section 22. SURVIVAL AND CONTINUATION

Notwithstanding the termination of the Term or Manager's management of the Hotel in accordance with this Agreement, all terms, provisions and obligations of either Party contained herein, which in order to give them effect and accomplish their intent and purpose, need to survive such termination shall survive and continue until they have been fully satisfied or performed.

Section 23. MANAGER APPROVALS

Owner and Manager agree that in each instance in this Agreement where Manager is requested or required to give its review or approval of plans or specifications, no such review or approval shall imply or be deemed to constitute an opinion by Manager, nor impose upon Manager any responsibility for the design or construction of building elements, including but not limited to structural integrity or life/safety requirements. The scope of Manager's review and approval of plans and specifications is limited solely to the adequacy and relationship of spaces and esthetics of the Hotel for use as a hotel.

Section 24. SALE OF SECURITIES

In the event Owner, or any person controlling Owner, shall, at any time, sell or offer to sell any securities issued by Owner (including the Bonds) through the medium of any official statement, prospectus or otherwise, it shall do so only in compliance with all applicable federal and state securities laws, and it shall clearly disclose to all purchasers and offerees that (a) neither Manager (in its capacity as agent and operator hereunder) nor any of its Affiliates nor any of their respective officers, directors, agents or employees shall in any way be deemed an issuer or underwriter of said securities, and that (b) Manager and said Affiliates, officers, directors, agents and employees have not assumed and shall not have any liability arising out of or related to the sale or offer of said securities, including, without limitation, any liability or responsibility for any financial statements, projections or other financial information contained in any prospectus or other placement materials. Manager shall have the right to approve any description of Manager, or any description of this Agreement or of Owner's relationship with Manager hereunder, which may be contained in any prospectus or other communication (which approval shall not be unreasonably withheld or delayed), and Owner agrees to furnish copies of all such materials to Manager for such purpose not less than fifteen (15) days, as to the initial drafts of such materials, or three (3) Business days, with respect to revisions thereof, prior to the delivery thereof to any prospective purchaser of such securities. In any event, Owner covenants to provide as much advance notice as is reasonably practicable. Owner agrees to indemnify, defend and hold Manager, and its officers, directors, agents and employees, free and harmless of and from any and all liabilities, costs, damages, claims or expenses arising out of or related to the sale or offer of any securities of Owner, except for any such liabilities, costs, damages, claims or expenses arising out of or based upon any untrue statement of a material fact made in reliance upon, and in conformity with, information furnished by Manager to Owner in writing, provided that (i) Manager has expressly acknowledged in writing its understanding and consent to use of such information in Owner's prospectus or other placement materials; and (ii) Manager shall have furnished such information as is reasonably requested by Owner pursuant to specific written requests therefor, which information is otherwise publicly available or made publicly available by Manager (which for this purpose shall not be deemed to be publicly available solely due to the fact that said information has been furnished to potential Lenders, joint venture partners or merger prospects).

Manager shall cooperate in providing adequate disclosure regarding Hilton Worldwide Holdings Inc. and its subsidiaries' (including Manager) operations in any prospectus; provided that any information disclosed about Hilton Worldwide Holdings Inc. and its subsidiaries' (including Manager) operations shall be limited to public information disclosed by Hilton Worldwide Holdings Inc. in its filings with the Securities and Exchange Commission or other publicly available filings. For purposes of this Agreement, the term "Business day" shall mean any day other than a Saturday, a Sunday or a day on which governmental entities or political subdivisions thereof, including, without limitation, Owner, are authorized or obligated by law or executive order to remain closed.

Section 25. TRANSITION MATTERS

Upon expiration or earlier termination of this Agreement, Manager and Owner will cooperate with each other to effect an orderly transition of management functions from Manager

to Owner, or to any managing agent designated by Owner (the successor manager, whether Owner itself or a designated management company shall be herein referred to as the "Successor Manager"). The provisions of this Section 25 shall govern with respect to specific matters relating to the transition of management of the Hotel.

25.1 Employment Matters

Since all employees of the Hotel will be employees of Manager, the termination of this Agreement shall result in a termination of employment with Manager of substantially all Hotel Employees. Nevertheless, Owner acknowledges that it shall pay all Employee Costs through the effective date of termination of this Agreement and otherwise arising out of the termination of this Agreement and, subject to Section 27, shall indemnify, defend and hold harmless Manager with respect to Employee Costs (including but not limited to accrued payroll, accrued benefits such as vacation pay and sick days, and other similar accrued employment liabilities (including severance obligations)), and other employment matters, if any, as provided in this Agreement accrued or incurred up to the date of termination of this Agreement. Notwithstanding the foregoing, Manager shall have the right to make offers of employment to any personnel then employed at the Hotel for employment at other Brand Hotels or resorts. Owner will use commercially reasonable efforts to cause the successor operator of the Hotel to hire a sufficient number of existing Hotel Employees to avoid the possibility of a "plant closing" or "mass layoff" under the WARN Act or a similar occurrence under any other Legal Requirement, in connection with the termination.

25.2 Insurance

If Owner shall be included under Manager's chain-wide policies of insurance, or under Manager's self-insurance program, such participation will be terminated as of the effective date of termination of this Agreement, and Manager shall have the right to reimburse itself for such premiums which may have accrued to the date of termination by withdrawing the appropriate amount thereof from the Hotel Accounts. If Owner's pro rata share of premiums under the chain-wide policies of insurance shall have been paid in advance, Manager shall reimburse Owner for the unused portion of insurance premiums if such premiums are refundable by the insurer. Owner consents to the termination of the insurance program with respect to the Hotel as of the effective date of termination of this Agreement and agrees that Manager shall have no further obligation, after the effective date of such termination, to provide or obtain any insurance coverage for the benefit of Owner or the Hotel thereafter.

25.3 Receivables

All receivables of the Hotel outstanding as of the effective date of termination, including, without limitation, guest ledger receivables, shall continue to be the property of Owner. Manager will cooperate with Owner in all reasonable respects for no longer than one year from the date of termination, but at Owner's sole cost and expense, in the collection of any receivables, and will promptly turn over to Owner any receivables collected directly by Manager after the effective date of termination.

25.4 Protected Name and Protected Marks

Owner agrees that it will cease the use of the Protected Name and the Protected Marks on and as of the effective date of termination of this Agreement except that Owner shall have the right to continue to use any consumable inventory, operating equipment and supplies bearing the Protected Name or any of the Protected Marks until supplies thereof on hand as of the termination date shall be exhausted, but shall have no right to reorder any quantities of such items. Manager agrees that it will cease the use of the Marks on and as of the effective date of termination of this Agreement. Notwithstanding the foregoing, Manager (a) shall have the option to purchase any items of operating equipment, consumables or supplies bearing the Protected Name or any of the Protected Marks (other than those items logoed with the Marks) at a price, payable on the effective date of termination in cash by deposit thereof to the respective Hotel Accounts, equal to the fair market value thereof, and (b) shall have the further right at its election to purchase all or any other such items bearing the Protected Name or any Protected Mark as Manager elects at a reasonable price to be agreed upon between Owner and Manager and paid in cash on the effective date of termination. In connection with the purchase of any such items, Manager shall have the obligation, at its expense, to remove the same from the Hotel not later than fourteen (14) days after the effective date of termination. Without in any way limiting the generality of the foregoing, all interior and exterior signs and graphics bearing the Protected Name or any Protected Mark shall be (i) immediately covered so as not to be visible to the public, and (ii) physically removed from the premises or obliterated, within forty-five (45) days after the effective date of termination, all at Owner's expense.

25.5 Other Proprietary Interests

Under no circumstances shall Owner, or any person acting on behalf of Owner, at any time after the termination of this Agreement, directly or indirectly hold itself or the Hotel or any portion thereof out to the public as being or remaining (or otherwise seeking to be identified with) a Brand Hotel or resort. In addition, Owner agrees to cease using all Manager promotional materials, training materials and other of Manager's developed programs as of the termination hereof, all such materials to be the sole property of Manager which may be removed by Manager (without any payment or other reimbursement) as of the effective date of termination of this Agreement. In addition, at the termination of this Agreement, proprietary software programs belonging or licensed to Manager, together with any additions to or replacements of such programs, which may hereafter be developed by Manager for use in connection with the operation of the Hotel, may be removed from the Hotel by Manager, and Owner shall no longer be entitled to use such programs, without cost or charge to Manager, including, but not limited to, any Manager-customized programs for yield management, sales, accounting functions, reservations and other Manager Intellectual Property; provided, however, the removal of all such software programs shall be coordinated with the installation of replacement systems but Manager shall have no obligation to allow the proprietary software to remain in the Hotel beyond the termination of this Agreement. In order to achieve an orderly transition of management functions, both a hard copy and an electronic copy of all information relating to the Hotel contained in the customized software (or its replacement) (other than Manager Intellectual Property and Hotel Employee records) shall be provided to Owner at any time and from time to time following delivery by Owner of a notice of termination (but in no event sooner than forty-five (45) days prior to the effective date of any such termination) upon Owner's request with an

update relating to the period through the termination of this Agreement to be given to Owner at the close of business by Manager within ten (10) Business days after the termination date. To the extent Manager has leased any computer equipment or telephone equipment for use at the Hotel in accordance with the provisions of this Agreement pursuant to chain-wide programs for the acquisition or leasing thereof from unaffiliated third parties, all such leases shall be in the name of Owner, provided that Manager shall be entitled to remove from the Hotel any computer equipment that is utilized as part of a centralized reservation or property management system.

25.6 Service Contracts

At the time of termination of this Agreement, Manager may have entered into certain contracts, leases and service agreements on a chain-wide basis that Manager may not have the ability to transfer to Owner for the benefit of the Hotel. Therefore, Manager shall terminate such contracts, leases and service agreements, to the extent applicable to the Hotel, as of the effective date of termination of this Agreement without cost or penalty to Owner. No less than thirty (30) days before the termination date, Manager will provide Owner with a list of such contracts, leases and service agreements being terminated as well as a narrative description of the services provided hereunder and the terms thereof. Owner consents to the termination of such contracts, leases and service agreements with respect to the Hotel as of such termination date and agrees that such contracts, leases and service agreements will not be assigned, transferred or continued after such date.

25.7 Future Business

Owner shall honor all business confirmed for the Hotel with reservation dates after the effective date of termination. Upon the expiration or earlier termination of this Agreement, Manager shall assist with the generation of a set of hotel termination reports that will, among other things, facilitate Owner's performance of its obligations under this Section 25.7.

25.8 Transition Notices

Any notices which Manager desires to provide to present or future customers, holders of reservations, persons making inquiries regarding the Hotel or otherwise with respect to the termination or expiration of this Agreement shall be approved in advance by Owner, such approval not to be unreasonably withheld, conditioned or delayed. Manager will reasonably coordinate the provision of any transition notices with any successor manager designated by Owner.

25.9 Payments to Manager

Owner shall pay to Manager all amounts due to Manager under this Agreement, including but not limited to all Management Fees (provided that payment of the Incentive Fee is subject to the provisions of Section 5.1.3) up to the date of termination, any Manager advances, and all amounts under this Section 25 with respect to transition matters. For the avoidance of doubt, termination will not affect payment or any other obligations accruing or incurred before the date of termination.

25.10 Reserve for Post-Termination Costs

(a) Before any termination, Manager will set up a reserve to pay all costs that may accrue after termination relating to litigation in which claims have been made directly against Manager, tax liabilities (including sales, use and occupancy taxes) and all costs in connection with the transfer or termination of Hotel Employees, such as severance pay, unemployment compensation, employment relocation, and legal costs; provided, however, that the amount of such reserve is subject to the reasonable approval of Owner. The reserve will be funded first by withdrawals by Manager from the Hotel Accounts; second from the FF&E Account; and third, if the foregoing sources of funds are insufficient, from the Operating Reserve. This reserve shall be held for twelve (12) months after the effective date of the termination of this Agreement and thereafter all funds held in such reserve shall be immediately released to Owner in full.

(b) Promptly following the funding of the reserve required in Section 25.10(a) and the termination of this Agreement, the Hotel Accounts shall be closed, funds transferred to Owner, and Manager shall have no further rights with respect to such accounts or funds.

25.11 Final Accounting; Distributions

Manager will prepare a final accounting statement for the Fiscal Year in which termination occurs and a statement of any amounts due under this Agreement (the "Final Accounting Statement") and deliver it to Owner within 90 days after termination. The Parties will make any specified payments, and Manager will transfer to the Owner any of Owner's remaining funds held or controlled by Manager (with the exception of funds held in accordance with Section 25.10 and otherwise in accordance with this Agreement), within 60 days of Owner's receipt of the Final Accounting Statement. If there are items for which information is not available either at the time the Final Accounting Statement is prepared or at the time the Parties make the specified payments, then the Parties will, if the information becomes available before the first anniversary of the termination date, adjust such items and make any necessary payments. No adjustments will be made after the first anniversary of the termination date.

Section 26. REPRESENTATIONS AND WARRANTIES OF OWNER AND MANAGER

26.1 Representations of Owner

Owner represents and warrants to Manager that:

(a) Owner is a municipal corporation and body politic existing under the laws of the State of Illinois, and has the full right, power and authority to execute, deliver and perform its obligations under this Agreement. All necessary action has been taken to approve the execution, delivery and performance of this Agreement by Owner. Each party executing and delivering this Agreement on behalf of Owner and all documents to be executed and delivered on behalf of Owner in regard to the consummation of the transactions contemplated hereby has due and proper

authority to execute and deliver those documents. To the best of Owner's knowledge, the transactions contemplated by this Agreement are not restrained or prohibited by any injunction, order or judgment rendered by any court or other governmental agency of competent jurisdiction. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (i) conflict with or result in a breach of any other agreement or restriction to which Owner is a party or by which it is bound or (ii) to the best of Owner's knowledge, conflict with or result in the material breach or violation of any law, regulation, writ, injunction, or decree of any court or governmental body applicable to Owner. This Agreement and all documents executed and delivered by Owner in connection herewith shall constitute valid and binding obligations of Owner, enforceable in accordance with their terms, except as may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally.

(b) There is no pending, nor, to the knowledge of Owner, has Owner received written notice threatening any, litigation, claim or administrative proceeding against Owner which would materially and adversely affect the ability of Owner to perform its obligations hereunder.

26.2 Representations of Manager

(a) Manager is duly organized and validly existing under the laws of the Delaware, is in good standing thereunder and under the laws of the State of Illinois, and has the full right, power and authority to execute, deliver and perform its obligations under this Agreement. All necessary corporate action has been taken to approve the execution, delivery and performance of this Agreement by Manager. Each party executing and delivering this Agreement on behalf of Manager and all documents to be executed and delivered on behalf of Manager in regard to the consummation of the transactions contemplated hereby has due and proper authority to execute and deliver those documents. To the best of Manager's knowledge, the transactions contemplated by this Agreement are not restrained or prohibited by any injunction, order or judgment rendered by any court or other governmental agency of competent jurisdiction.

(b) Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (i) conflict with or result in a breach of Manager's corporate bylaws, articles of incorporation or any agreement or restriction to which Manager is a party or by which it is bound or (ii) to the best of Manager's knowledge, conflict with or result in the material breach or violation of any law, regulation, writ, injunction, or decree of any court or governmental body applicable to Manager. This Agreement and all documents executed and delivered by Manager in connection herewith shall constitute valid and binding obligations of Manager, enforceable in accordance with their terms, except as may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally.

(c) There is no pending nor, to the knowledge of Manager, has Manager received written notice threatening any litigation, claim, or administrative proceeding against Manager or any Affiliate of Manager, which would materially and adversely affect the ability of Manager to perform its obligations hereunder.

(d) As of the date hereof, Manager or its Affiliates operate or franchise all Brand Hotels in the United States.

Section 27. LIMITATIONS ON OWNER'S LIABILITY

(a) Notwithstanding anything herein to the contrary, Owner's liability under this Agreement shall be limited solely to (i) its interest in the Hotel, including the Improvements, the Site and amounts available from Gross Receipts, and the Hotel Accounts (including, without limitation, the Operating Reserve and the FF&E Account), and including proceeds available from insurance policies carried pursuant to Section 9 of this Agreement to the extent available for such purpose, and (ii) its interest in the New Hotel (but only in the event the Parties enter into the Possible New Hotel Management Agreement), including the Improvements, the Site and amounts available from Gross Receipts, and the Hotel Accounts (including, without limitation, the Operating Reserve and the FF&E Account) (as such terms are to be defined in the Possible New Hotel Management Agreement), and including proceeds available from insurance policies carried pursuant to the Possible New Hotel Management Agreement to the extent available for such purpose (collectively, the "Owner Collateral"); and Manager shall not seek a personal judgment against Owner (except to the extent necessary to realize against the Owner Collateral) or seek to obtain a lien, levy, attachment or other charge upon any other properties or assets of Owner to enforce any claim or award for the default by Owner of its representations, warranties, covenants or other undertakings under this Hotel Agreements. Further, it is hereby agreed and acknowledged by Manager that Owner's obligations for Operating Expenses, FF&E Expenditures and Capital Expenditures shall be limited solely to the Owner Collateral in accordance with this Section 27.

(b) No elected official, commissioner, officer, director, employee or agent of Owner, nor any of their respective heirs, administrators, executors, personal representatives, successors and assigns, shall have any personal liability or other personal obligation to with respect to any payment, performance or observance of any amount, obligation, or liability to be paid, performed or observed under this Agreement or any of the representations, warranties, covenants, indemnifications or other undertakings of Owner hereunder. Neither Manager nor its Affiliates shall seek to obtain a money judgment against any elected official, commissioner, officer, director, employee or agent of Owner, or against any of their respective heirs, administrators, executors, personal representatives, successors or assigns.

Section 28. NON-COMPETITION

(a) Except as otherwise set forth in Section 28(d), until the tenth (10^{th}) anniversary of the Opening Date (the "Non-Competition Period"), neither Manager nor any of its Affiliates will open and operate, nor authorize any other party to open and operate (other than the Hotel) any:

(i) Brand Name hotel within Non-Competition Area A described below consisting of a five (5) mile radius from the front door of the Hotel; or

(ii) Brand Name hotel with more than 500 rooms within Non-Competition Area B described below.

(b) The Non-Competition Period and the restrictions in Section 28(a) shall expire and terminate on December 31, 2022 if the Start of Construction has not occurred on or before that date.

(c) For the purposes of this Section 28, the "Non-Competition Area A" means the area located within a five (5) mile radius from the front door of the Hotel, and the "Non-Competition Area B" means the area located within the following boundaries:

> Highway Route 53 and Interstate 290 and I-290/Dwight D. Eisenhower Expressway to the west, Dundee Road/Route 68 to the north, Interstate 90/94 and Interstate 90 to the east and Interstate 290/88 to the south.

Non-Competition Area A and Non-Competition Area B are generally illustrated on the maps attached to, and incorporated by reference into, this Agreement as **Exhibits L-1 and L-2**, respectively. Each of the Non-Competition Area A and the Non-Competition Area B shall include the side of the street closest to the Hotel. If there is a conflict between **Exhibit L-1 or Exhibit L-2** and the applicable narrative description in this Section 28, the narrative description will control.

(d) The only exceptions to the restrictions in Section 28(a) are set forth below.

(i) If Manager or any of its Affiliates acquire (whether through purchase, sale, merger, consolidation, or other transaction) after the Effective Date another chain, franchise system, group or portfolio of at least five (5) hotels, or acquire the right to operate or manage another chain, franchise system, group or portfolio of at least five (5) hotels, one (1) or more of which hotels are located in Non-Competition Area A or Non-Competition Area B, then Manager and/or its Affiliates will have the unrestricted right to convert, or cause to be converted, the acquired hotel(s) within Non-Competition Area A or Non-Competition Area B, as applicable, from its (or their) original trade identity to a Brand Name hotel, and to open and

operate, or authorize any other party to open and operate, such hotel or hotels as Brand Name hotels.

(ii) Manager and/or its Affiliates have the unrestricted right to convert, open and operate, or authorize any other party to convert, open and operate, any existing hotel(s) as of the Effective Date as Brand Name hotels in Non-Competition Area B.

(iii) If any existing hotel(s) operated under any brand owned by Manager or its Affiliates as of the Effective Date within Chicago ceases to operate under any brand owned by Manager or its Affiliates, then Manager and/or its Affiliates will have the unrestricted right to open and operate, or authorize any other party to open and operate, another hotel(s) under the Brand Name in Non-Competition Area B.

(iv) The restrictions in this Section 28 shall not apply to any hotel that is, as of the Effective Date, open, under construction or approved for development or opening as a Brand Name hotel (or is a substantially equivalent replacement of such a hotel).

(e) Except for the limited exclusivity provided in Section 28(a), there are no other restrictions on Manager or its Affiliates; Owner's rights under this Agreement are nonexclusive in all respects; the Hotel has no territorial protection whatsoever; and Manager and its Affiliates have the right without any restrictions at all to engage in any and all activities Manager and they desire (including with respect to any and all types of lodging facilities), at any time and place, whether or not using the Protected Marks, whether or not those activities compete with the Hotel, and whether or not Manager or its Affiliates start those activities themselves or purchase, merge with, acquire, or affiliate with a business that already engages in such activities. Owner acknowledges that Manager and/or its Affiliates currently own, operate and/or license other lodging facilities (including luxury, full service, select service and extended stay hotels, residential products, time-share or interval ownership facilities) that use different brand names, trademarks, and service marks, including those with the "Hilton" name as part of their brand name (such as, for example and without limitation, "Hilton Garden Inn" and "Homewood Suites by Hilton"). Except as expressly described in Section 28(a) (and subject to Sections 28(d) and 28(f), none of those activities, even other uses of the "Hilton" name, will constitute a violation of this Agreement.

(f) The restrictions in this Section 28 shall not prohibit Manager or its Affiliates from entering into agreements to construct, own, lease, operate, manage, license or franchise a Brand Name hotel within Non-Competition Area A or Non-Competition Area B as long as such other hotel does not open as a Brand Name hotel during the Non-Competition Period.

Section 29. ENVIRONMENTAL

29.1 Definitions.

"Environmental Agency" Any federal, state, or local governmental agency or entity having responsibility, in whole or in part, for any matter addressed by any Environmental Law, including, without limitation, enforcement of any Environmental Law. An agency or other entity need not be responsible only for matters addressed by Environmental Law(s) to be an Environmental Agency. A non-exhaustive list of Environmental Agencies includes, without limitation: the Chicago Department of Public Health, the Illinois Emergency Management Agency, Illinois EPA, US EPA, the Illinois Department of Labor/Illinois OSHA, and the US Department of Labor/OSHA.

"Environmental Claim" Any type of assertion in writing that any of the following persons is violating or otherwise failing to comply with any Environmental Law, has violated or otherwise failed to comply with any Environmental Law, is directly or indirectly causing or contributing to any type of environmental harm, or has directly or indirectly caused or contributed to any type of environmental harm with respect to the Hotel: Manager; or any employee, agent, contractor, or licensee of Manager. A non-exhaustive list of Environmental Claims includes, without limitation: demand letters, notices of intent to sue, lawsuits, and citations or charges of any kind. An assertion need not expressly reference an Environmental Law to constitute an Environmental Claim. An Environmental Claim may be made by an Environmental Agency or by any other person.

"Environmental Law(s)" Any Law that in any way, directly or indirectly, in whole or in part, bears on or relates to the environment or to health or safety. A non-exhaustive list of statutes and rules and regulations that are some examples of Environmental Laws includes, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601, *et seq.*, the Resource Conservation and Recovery Act, 42 U.S.C. 6901, *et seq.*, the Hazardous Materials Transportation Authorization Act, 49 U.S.C. 5101, *et seq.*, the Clean Air Act, 42 U.S.C. 7401, *et seq.*, the Federal Water Pollution Control Act, 33 U.S.C. 1251, *et seq.*, the Occupational Safety and Health Act, 29 U.S.C. 651, *et seq.*, the Toxic Substances Control Act, 15 U.S.C. 2601, *et seq.*, the Safe Drinking Water Act, 42 U.S.C. 300(f), *et seq.*, the Illinois Environmental Protection Act, 415 ILCS 5/1, *et seq.*, the Illinois Occupational Safety and Health Act, 820 ILCS 219/1, *et seq.*, and all related rules and regulations.

"Existing Contamination" Any waste or pollutant:

(i) that is already on the Site – including, without limitation, in the soil, air, or groundwater of the Site – on the Opening Date; or

(ii) that, as the result of any discharge or release, migrates onto the Site – including, without limitation, to the soil, air, or groundwater of the Site – after the Opening Date, if:

(A) the discharge or release occurred before the Opening Date; and

(B) no role in causing, contributing to, or exacerbating the discharge or release or effects of the discharge or release is or was played by Manager, or any employee, agent, contractor, or licensee of Manager; provided, however, that Existing Contamination does not include material of any kind – including, without limitation, any element, compound, substance, or mixture – that is present on the Opening Date, if the material's presence and condition on that date are compliant with Environmental Laws. For example, Existing Contamination does not include any asbestos-containing material that is in use and not damaged, friable, or in poor condition on the Opening Date.

"Law(s)" The word "Law" or "Laws" as used for purposes of this Section 29 is intended in the broadest possible sense, including, without limitation, and as may be amended or otherwise modified from time to time, all federal, state and local: statutes; ordinances; codes; rules; regulations; executive, administrative, and judicial orders and directives of any kind; requirements and prohibitions of permits, licenses, and other similar authorizations of any kind; court decisions; common law; and all other legal requirements and prohibitions.

"Non-Routine" As applied to reports and notices, "Non-Routine" refers to a report or notice that is required pursuant to any Environmental Law but is not a Routine report or notice.

"Routine" As applied to reports and notices, "Routine" refers to a report or notice that, pursuant to any Environmental Law, must be made, submitted or filed on a periodic basis and that in no way arises from an unexpected release of any kind, or from an emergency response situation, or from any actual, possible or alleged noncompliance with any Environmental Law.

"Subject Material(s)" "Subject Material" or "Subject Materials" means any material of any kind, including, without limitation, any element, compound, substance, or mixture:

(i) that is defined as a hazardous substance, extremely hazardous substance, hazardous material, hazardous waste, or pollutant of any kind, in or by any Environmental Law;

(ii) that is regulated by or under any Environmental Law;

(iii) the manufacturing, sale, generation, use, storage, treatment, disposal, transportation, or other handling or management of which – or any type of discharge or release of which – is regulated by or under, or otherwise subject to requirements of, any Environmental Law; or

(iv) that due to its amount, concentration, or any characteristic, constitutes or contributes to – or may reasonably be expected to constitute or contribute to – a danger or hazard to the environment or to public health, safety, or welfare.

The term Subject Material includes, without limitation, petroleum, including crude oil and any fraction thereof, natural gas, natural gas liquids, liquefied natural gas, synthetic gas, and mixtures of natural and synthetic gas.

29.2 Environmental Laws. Manager shall use diligent, good faith efforts to cause the operation of the Hotel to observe and obey all applicable Environmental Laws.

29.3 Subject Materials and Surrender of Hotel. Manager must use diligent, good faith efforts, to the fullest extent of its control as Manager of the Hotel pursuant to this Agreement, not to cause or allow Subject Materials to enter or be present in the Hotel in violation of Environmental Laws; provided, however, that Manager may cause and allow reasonable amounts of such Subject Materials as are customarily used or otherwise handled in connection with the concession operations to enter and be present on the Site or in the Hotel. Examples of Subject Materials customarily used or otherwise handled in connection with the concession operations may include cleaning fluids and business equipment materials (e.g., copy machine toner).

Manager must use diligent, good faith efforts to ensure that all Subject Materials on the Site or in the Hotel are stored, used, disposed of, and otherwise handled and managed in compliance with all applicable Environmental Laws.

29.4 Environmental Representations and Warranties and Other Matters. Manager expressly warrants, represents, and covenants that Manager and all employees and agents of Manager shall use diligent, good faith efforts to cause the employees to operate the Hotel to comply with all Environmental Laws applicable to or affecting the Hotel or operation thereof, including, without limitation, obligations to use diligent, good faith efforts, to the fullest extent of its control as Manager of the Hotel pursuant to this Agreement:

(i) not to conduct, or cause or allow to be conducted, on the Site or in the Hotel – including, without limitation, in the soil, air, or groundwater of the Site – any activity for which a permit or other authorization is required under any Environmental Law, unless such permit has been issued;

(ii) not to cause or allow to exist on the Site or in the Hotel – including, without limitation, in the soil, air, or groundwater of the Site – any occurrence or condition for which a permit or other authorization is required under any Environmental Law, unless such permit has been issued; and

(iii) to ensure that all employees and agents of Manager comply with the conditions of any and all permits issued under any Environmental Laws with respect to the Hotel.

Manager shall not be responsible or liable for remediation or removal of any Existing Contamination. Manager shall not be responsible or liable for any release of Subject Materials, whether located within the Site or the Hotel or elsewhere, except to the extent set forth in Section 10(a)(vi).

29.5 Reports, Notices, Environmental Claims, and Other Matters. Manager must immediately notify the City in writing of:

(i) any release, suspected release, or threatened release of Subject Material(s) on, in, under, from, or otherwise relating to the Site or the Hotel – including, without limitation, the soil, air, or groundwater of the Site – in violation of Environmental Laws, to the extent Manager becomes aware in the exercise of due diligence of the same;

(ii) any notice of any kind received by Manager, from any person, of or relating to any release, suspected release, or threatened release of Subject Material(s) on, in, under, from, or otherwise relating to the Site or the Hotel – including, without limitation, the soil, air, or groundwater of the Site; and

(iii) any action, occurrence, or condition of any kind that in any way relates to the Site or the Hotel – including, without limitation, to the soil, air, or groundwater of the Site – or to concession operations, that could reasonably be expected to subject any person to an Environmental Claim or to any restriction in ownership, occupancy, transferability, or use of the Site or the Hotel under any Environmental Law, to the extent Manager becomes aware in the exercise of due diligence of the same.

(a) Routine Reports and Notices. Within three (3) Business days of receiving a written request from the City, Manager must submit to the City a complete copy of any Routine report or notice that: (i) in any way relates to the Site or the Hotel – including, without limitation, to the soil, air, or groundwater of the Site – or to concession operations; and (ii) has been made, submitted, or filed to any Environmental Agency or other person, by or on behalf of Manager, or any employee, agent, contractor, or licensee of Manager (provided that with respect to agents, contractors and licensees, Manager shall use good faith efforts to comply with the foregoing).

(b) Non-Routine Reports and Notice. If any Environmental Law requires Manager, or any employee, agent, contractor, or licensee of Manager to make, submit, or file any Non-Routine notice or report of any kind to any Environmental Agency or other person – and the report or notice in any way relates to the Site or the Hotel – including, without limitation, to the soil, air, or groundwater of the Site – or to hotel operations, then Manager must deliver a complete copy of the report or notice (or, in the case of telephonic or other oral reports or notices, a comprehensive written summary of same) to the City within 24 hours of the original report's or notice's having been made, submitted, or filed (provided that with respect to agents, contractors and licensees, Manager shall use diligent, good faith efforts to comply with the foregoing).

Thereafter, Manager must notify the City in writing of any and all subsequent developments of which it becomes aware exercising due diligence; each such notification must be made within 24 hours of the earliest development(s) addressed therein.

(c) Environmental Claims. If Manager, or any employee or agent of Manager receives an Environmental Claim, or any type of notice of threatened or potential Environmental Claim, that in any way relates to the Site or the Hotel – including, without limitation, to the soil, air, or groundwater of the Site – or to concession operations, then within 24 hours of Manager's receipt of the Environmental Claim or notice, Manager must deliver a complete copy of the Environmental Claim or notice to the City.

Thereafter, Manager must notify the City in writing of any and all subsequent developments of which it becomes aware exercising due diligence; each such notification must be made within 24 hours of the earliest development(s) addressed therein.

(d) Other Matters. If Manager, or any employee, agent, contractor, or licensee of Manager, receives notice of any kind of any lien filed with respect to the Site or the Hotel or in any way relating to the Site or the Hotel or to hotel operations, then within 24 hours of Manager's receipt of the notice, Manager must notify the City in writing.

Within three (3) Business days of receiving a written request from the City, Manager must submit to the City complete copies of all documents in Manager's possession that the City has reasonably requested, relating to any release, suspected release, or threatened release of Subject Material(s) on, in, under, from, or otherwise relating to the Site or the Hotel – including, without limitation, the soil, air, or groundwater of the Site, or relating to any Non-Routine notice or report, or relating to any Environmental Claim or notice of threatened or potential Environmental Claim, including, without limitation: responses, invoices, reports, photographs, manifests, pleadings, motions, discovery, orders and correspondence. If Manager believes that the City's request or any portion the City's request is not reasonable, then Manager must respond in writing to the City, within three (3) Business days of receiving the request, specifying what Manager believes to be unreasonable and why.

29.6 Hazardous Substances. Manager must not use or allow the Site or the Hotel to be used for the release, storage, use, treatment, disposal or other handling of any hazardous substance, as defined in any Environmental Laws, except in full compliance with all Environmental Laws. Manager must not use or allow the Site or the Hotel to be used for the storage of any such hazardous substances except small amounts of cleaning fluids, business equipment materials (such as copy machine toner) and other small amounts of such hazardous substances customarily handled or used in connection with the concession operations, all of which must be stored and used in compliance with all applicable Environmental Laws.

29.7 No Illegal Dumping. In accordance with Section 11-4-1600(e) of the Municipal Code, Manager warrants and represents that to its knowledge it has not violated and is not in violation of the following sections of the Municipal Code (collectively, the "Waste Sections"):

7-28-390 Dumping on public way—Violation—Penalty;

7-28-440 Dumping on real estate without permit;

11-4-1410 Disposal in waters prohibited;

11-4-1420 Ballast tank, bilge tank or other discharge;

11-4-1450 Gas manufacturing residue;

11-4-1500 Treatment and disposal of solid or liquid waste;

11-4-1530 Compliance with rules and regulations required;

11-4-1550 Operational requirements;

11-4-1560 Screening requirements; and

any other sections listed in Section 11-4-1600(e), as it may be amended from time to time.

Manager's violation of the Waste Sections in the performance of this Agreement constitutes a breach of and an Event of Default under this Agreement. Such breach and Event of Default entitles the City to all remedies under the Agreement, at law or in equity. This Section does not limit the Manager's duty to comply with all Environmental Laws with respect to operation of the Hotel, in effect now or later, and whether or not they appear in this Agreement. Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Agreement, and may further affect the Manager's eligibility for future City agreements.

Section 30. IRS GUIDELINES

30.1 QMA Compliance

30.1.1 QMA Guidelines

This Agreement is intended to comply with Section 1.141-3(b)(4) of the Income Tax Regulations issued by the United States Department of the Treasury, IRS Revenue Procedure 2017-13, and any other statutory, administrative, judicial or other official guidance (to the extent applicable to any series of the Bonds) relating to when use of property pursuant to a management contract is considered private business use for purposes of Section 141(b) of the Internal Revenue Code of 1986, as amended (the "IRC") (collectively herein referred to as the "QMA Guidelines"). Subject to all other terms of this Agreement, this Agreement is intended not to permit the Manager to enter into any arrangement that results in private business use of the Hotel within the meaning of Section 1.141-3 of the Income Tax Regulations of more than five percent (5%) in any Fiscal Year except to the extent expressly approved in writing by the Owner. Notwithstanding the foregoing or anything to the contrary in this Section 30, Manager's obligations in this Section 30 shall not apply unless and until Owner has given written notice to Manager of the closing or issuance date of the Bonds and the Owner's Bond Counsel and the parties have mutually determined the procedures for submitting contracts for Owner's review

pursuant to and as contemplated by Section 2.5. Owner shall give Manager at least ninety (90) days' prior written notice of an anticipated Bond financing.

30.1.2 QMA Failure

A failure of this Agreement itself to comply with the QMA Guidelines that would cause interest on the Bonds to be includable in gross income for federal income tax purposes if left uncured shall be referred to as a "QMA Failure."

30.2 Compliance with IRS Guidelines

30.2.1 IRS Guidelines

Manager agrees, to the extent of its rights, authority and responsibilities under this Agreement, to exercise commercially reasonable diligence to ensure that any action (or failure to take action) by Manager, including its personnel, with respect to the Hotel complies with the requirements of the QMA Guidelines and/or with the additional rules and requirements of Section 1.141-3 of the Income Tax Regulations and any other statutory, administrative, judicial or other official guidance (to the extent applicable to the Bonds) relating to whether all or part of the Hotel is subject to private business use for purposes of Section 141(b) of the IRC (the QMA Guidelines and such additional rules and requirements, collectively, the "IRS Guidelines"). For purposes of this Section 30, "reasonable diligence" means Manager having established guidelines and policies to reasonably ensure compliance by Manager, including its personnel, with the IRS Guidelines and taking reasonable efforts to monitor such compliance, and seeking and obtaining review of agreements and other arrangements by Owner's Bond Counsel or Tax Counsel as and to the extent required in Section 2.5 prior to entering into such agreements or other arrangements. The parties further agree that in the event that this Agreement is reasonably determined by Owner's Bond Counsel or Tax Counsel or found by the IRS or a court of competent jurisdiction to not be in compliance with the IRS Guidelines, whether in an examination, closing agreement request, private letter ruling request, or otherwise, the Parties will amend this Agreement in such a manner as may be required by Owner's Bond Counsel so that in the opinion of Owner's Bond Counsel, the Agreement will comply with the IRS Guidelines following the effective date of such amendment; provided, however, if Manager determines in its reasonable discretion that such amendment would materially adversely affect Manager's rights and obligations under this Agreement, Manager may terminate this Agreement upon not less than ninety (90) days' prior written notice.

30.2.2 Continuing Compliance Failure

Manager further agrees, to the extent of its rights, authority and responsibilities under this Agreement, not to take any action (or fail to take any action) in connection with its management of the Hotel that would, by itself or together with other uses of the Hotel, and if left uncured, (a) violate the IRS Guidelines, and (b) as a result, cause the amount of private business use in any Fiscal Year to be more than five percent (5%) of the property financed with any issue of tax exempt bonds that is included within the Hotel (a "Continuing Compliance Failure").

30.2.3 Election Not to Take Depreciation

Manager further agrees that it is not entitled to and will not take any tax position that is inconsistent with being a service provider to the Owner with respect to the Hotel. Manager agrees that it shall not take any depreciation or amortization, investment tax credit, or deduction for any payment as rent with respect to the property that is financed with tax-exempt bonds of the Owner included within the Hotel.

30.3 Consequences of Compliance Failures

30.3.1 Consequences of QMA Failure

If a QMA Failure has occurred, Owner shall have the right to terminate this Agreement.

30.3.2 Consequences of Continuing Compliance Failure

Manager shall have no liability to Owner or the holders of the Bonds by reason of a Continuing Compliance Failure if Manager demonstrates that it exercised reasonable diligence as defined in Section 30.2.1 (an "Exempt Failure"). If an Exempt Failure has occurred, Owner shall have the right to terminate this Agreement.

If a Continuing Compliance Failure that does not constitute an Exempt Failure (a "Non-Exempt Compliance Failure") has occurred, Owner shall have the right to seek compensation from Manager for any damages suffered by Owner as a result of such Non-Exempt Compliance Failure (including, without limitation, damages and related reasonable attorneys' fees resulting from a determination that interest on the Bonds is not – for any period of time – excludable from gross income or alternative minimum taxable income of the owners thereof or a payment made by Owner pursuant to a closing agreement with the IRS to prevent such determination from being enforced). If Owner exercises the right to seek damages provided by this Section 30.3.2, each of Owner and Manager shall have the right to terminate this Agreement.

30.3.3 Termination Requirements

In the event of a termination of this Agreement under Section 30.3.1, or Section 30.3.2, (i) Owner shall provide written notice to Manager of such termination and such termination shall be subject to the additional notice requirements in Section 3.9, and (ii) Owner shall pay to Manager all amounts due to Manager under this Agreement, including but not limited to all Management Fees up to and including the date of termination, any Manager advances, and all amounts under Section 25.10.

30.4 Determination of QMA Failure or Continuing Compliance Failure

Owner shall establish that a QMA Failure or a Continuing Compliance Failure has occurred by presenting to Manager either:

(a) A written opinion from Owner's Bond Counsel (i) setting forth the pertinent facts and circumstances, (ii) identifying the applicable parts of the IRS Guidelines, (iii) providing a reasoned legal analysis applying the applicable law to the relevant facts, and (iv) stating a legal conclusion (at a level of confidence

no lower than "reasonable") that either a QMA Failure or a Continuing Compliance Failure has occurred; or

(b) A determination by a judicial or regulatory body with jurisdiction over the matter (including, without limitation, a court of law, the Securities and Exchange Commission, the Department, and the IRS) that a QMA Failure or Continuing Compliance Failure has occurred.

30.5 Manager's Rights to Cure

If Owner learns that actions resulting in a potential Continuing Compliance Failure have occurred (whether from its bond counsel, the IRS or other judicial or regulatory body, Manager or elsewhere), Owner shall provide written notice to Manager describing the nature of the actions and possible violation of the IRS Guidelines. Manager shall have fifteen (15) Business days within which to notify Owner whether it intends to take remedial measures (at Manager's sole expense) to cure any Continuing Compliance Failure. If Manager timely notifies Owner that it intends to take remedial measures, Manager shall have sixty (60) Business days to complete such remedial measures. If Manager timely takes and completes its remedial measures and, by taking such action, Manager has wholly cured any Continuing Compliance Failure in the reasonable opinion of Owner's bond counsel, then Owner shall not be entitled to terminate this Agreement or make a claim for damages under Section 30.3.2.

30.6 Manager's Rights to Participate in Proceedings

With respect to any proceeding, other than a proceeding between Owner and Manager, involving a matter that could reasonably result in a termination of this Agreement or a claim for damages under Section 30.3.1 or Section 30.3.2, (i) Owner shall inform Manager of the legal counsel selected to represent it in such matter, and (ii) Owner shall keep Manager informed of all substantive communications with the IRS (or other judicial or regulatory body) and its counsel and shall consider in good faith Manager's comments and proposals relating to the matter, including the terms of any proposed settlement or other resolution. This Section 30.6 is intended to apply, without limitation, to: (a) an examination of the Bonds by the IRS and any related closing agreement (within the meaning of Section 7121 of the IRC); and (b) any closing agreement with the IRS pursuant to the IRS's Tax Exempt Bond Voluntary Closing Agreement Program (as described in Internal Revenue Service Notice 2008-31 or any successor guidance).

30.7 Provision of Information to Owner

Manager agrees, at Owner's request, to provide to Owner information and documentation reasonably requested by Owner related to Manager's compliance with the IRS Guidelines from time to time.

30.8 Exclusive Remedies of Owner

The remedies specified in this Section 30 are the sole and exclusive remedies of Owner with respect to an action or a failure to take action to the extent that it constitutes a QMA Failure or Continuing Compliance Failure. Neither Manager nor its Affiliates shall otherwise be liable to Owner or any other person (including, but not limited to, the holders of the Bonds) with respect

to an action or a failure to take action to the extent that it constitutes a QMA Failure or a Continuing Compliance Failure.

Section 31. MISCELLANEOUS PROVISIONS

31.1 Submission to Jurisdiction

This Agreement is deemed made in the state of Illinois and governed as to performance and interpretation in accordance with the laws of Illinois. Any action or proceeding against either Party relating in any way to this Agreement may be brought and enforced in the federal or state courts in the State of Illinois in the County of Cook, and each of the Parties hereby irrevocably submits to the jurisdiction of such courts with regard to any such action or proceeding, and irrevocably waives, to the fullest extent permitted by applicable law, any objection it may have now or hereafter have to the laying of venue of any such action or proceeding in such courts and any claim that any such action or proceeding brought in any such court has been brought in an inconvenient forum. Service of process on Owner may be made either by registered or certified mail addressed as provided for in Section 17 or by personal delivery, and the service of process on Manager may be made either by registered or certified mail addressed as provided for in Section 17 or by delivery to Manager's registered agent for service of process in the State of Illinois. If Manager is presented with a request for documents by any administrative agency or with a *subpoena duces tecum* regarding any documents which may be in its possession by reason of this Agreement (other than routine ordinary course of business-related requests or subpoenas), Manager shall give prompt notice to the Corporation Counsel of Owner at the address in Section 17. Owner may contest such process by any means available to it before such records or documents are submitted to a court or other third party; provided, however, that Manager shall not be obligated to withhold such delivery beyond that time as may be ordered by the court or administrative agency, unless the subpoena or request is quashed or the time to produce is otherwise extended. If any action is brought by Manager against Owner concerning this Agreement, the action can only be brought in those courts located within Cook County, Illinois. The terms of this Section 31.1 survive termination.

31.2 No Third-Party Beneficiaries

This Agreement shall not be construed as giving any person, other than the Parties hereto and their successors and permitted assigns, any legal or equitable right, remedy or claim under or in respect of this Agreement or any of the provisions herein contained, this Agreement and all provisions and conditions hereof being intended to be, and being, for the sole and exclusive benefit of such Parties and their successors and permitted assigns and for the benefit of no other person or entity.

31.3 Entire Agreement; Document Precedence

The Recitals set forth at the beginning of this Agreement and the Exhibits attached to this Agreement are hereby incorporated in and made a part of this Agreement. This Agreement, the Pre-Opening Services Agreement and the Technical Services Agreement contain the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings with respect thereto. No other agreements, representations,

warranties or other matters, whether oral or written, will be deemed to bind the Parties hereto with respect to the subject matter hereof.

31.4 Written Amendments

This Agreement shall not be altered, modified or amended in whole or in part, except in a writing executed by each of the Parties hereto.

31.5 Counterparts; Facsimile and Electronic Execution

This Agreement may be executed in any number of counterparts which, taken together, shall constitute one and the same agreement. This Agreement shall be effective when it has been executed by each Party and delivered to all Parties. To evidence the fact that it has executed this Agreement, a Party may send a copy of its executed counterpart to the other Party by facsimile or electronic transmission. Such Party shall be deemed to have executed and delivered this Agreement on the date it sent such facsimile or electronic transmission. In such event, such Party shall forthwith deliver to the other Party an original counterpart of this Agreement executed by such Party.

31.6 Severability

The invalidity or unenforceability of any particular provision, or part of any provision, of this Agreement shall not affect the other provisions or parts hereof and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions or parts were omitted.

31.7 Non-Waiver

A failure by either Party to take any action with respect to any default or violation by the other of any of the terms, covenants, or conditions of this Agreement shall not in any respect limit, prejudice, diminish, or constitute a waiver of any rights of such Party to act with respect to any prior, contemporaneous, or subsequent violation or default or with respect to any continuation or repetition of the original violation or default.

31.8 Section References; Table of Contents

In this Agreement, any reference to a Section or Subsection is a reference to a Section or Subsection of this Agreement, unless otherwise specified. The Table of Contents and any Section and Subsection headings are for convenience of reference only and in no way define, limit, describe or affect the scope or intent of any part of this Agreement.

31.9 Approvals; Authority of Commissioner

This Agreement shall be subject to the approval of the Aviation Committee of the City Council of the City of Chicago and the full City Council (the "City Approvals") and shall not be valid and enforceable until such City Approvals have been granted. Unless otherwise expressly stated in this Agreement, once the City Approvals have been granted, any consents and approvals to be given by the City under this Agreement may be made and given by the Commissioner or by

such other person as may be duly authorized by the City Council, unless the context clearly indicates otherwise.

31.10 Manager Intellectual Property

"Manager Intellectual Property" means (i) all software, including data and information processed or stored thereby, used by Manager or its Affiliates in connection with Manager's or its Affiliates' services, systems and programs provided to the Brand Hotels; (ii) all manuals, brochures, directives, policies, programs and other information issued to or used by the Brand Hotels; (iii) guest/customer data, guest/customer lists, personal guest profiles and data regarding guest preferences, guest contact information, guest histories and other guest information obtained or collected by Manager at the Hotel in the ordinary course of business from guests of the Hotel or derived from or contained in any database controlled by Manager or its Affiliates including any loyalty programs such as Hilton Honors and relating specifically to such guests' stay at the Hotel (collectively, "Hotel Guest Data"); provided, however, that all data relating to Owner's suppliers or contractors derived from the operation of the Hotel (collectively, "Owner Data") shall remain the property of Owner and shall be protected in accordance with **Exhibit H**); (iv) all Protected Names and Protected Marks; and (v) all trade secrets, confidential information and other information, materials and copyrightable or patentable subject matter developed, acquired, licensed or used by Manager or its Affiliates for the Brand Hotels (for example, revenue and inventory management programs, processes or systems, brand and pricing strategies, and internal audit processes and materials).

Notwithstanding Section 4.4(c), Section 32 or any other provision herein to the contrary, Manager reserves the sole right and discretion to handle disputes and control actual or threatened litigation with third parties relating to any part of the Protected Name or Protected Marks, and Manager or its Affiliates may bring an action in any court of competent jurisdiction to enforce or protect its rights in the Manager Intellectual Property, including enjoining any unauthorized or improper use of the Manager Intellectual Property.

31.11 Limitation of Remedies

NOTWITHSTANDING ANY CONTRARY PROVISION OF THIS AGREEMENT OR THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY, TO THE FULLEST EXTENT NOT PROHIBITED BY APPLICABLE LAW, OTHER THAN AND EXCLUDING (i) THE RESPECTIVE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER SECTION 10 (INDEMNIFICATION OF OWNER) AND SECTION 11 (INDEMNIFICATION OF MANAGER) OF THIS AGREEMENT AND (ii) ANY OTHER INDEMNIFICATION OR DEFENSE OBLIGATIONS OF A PARTY UNDER THIS AGREEMENT IN THE CASE OF UNAFFILIATED THIRD PARTY CLAIMS ("INDEMNIFICATION EXCLUSION") (SUBJECT, HOWEVER, TO THE LIMITATIONS ON OWNER'S RIGHTS AND MANAGER'S OBLIGATIONS SET FORTH IN SECTION 3.8(c)(iv) AND THE PROVISIONS OF SECTION 10(a) RELATING TO SECTION 3.8(c)(iv), WHICH LIMITATIONS SHALL NOT BE EXCLUDED BY APPLICATION OF THE INDEMNIFICATION EXCLUSION), NEITHER PARTY (INCLUDING ANY RELATED PARTY) SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE OR TREBLE DAMAGES OR LOSSES

INCURRED BY THE OTHER PARTY OR ANY OF ITS RELATED PARTIES ARISING FROM OR RELATING TO THIS AGREEMENT OR THE SUBJECT MATTER HEREOF, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), PRODUCTS OR STRICT LIABILITY OR ANY OTHER FORM OF ACTION, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES (COLLECTIVELY "CONSEQUENTIAL DAMAGES"); AND SUBJECT TO THE INDEMNIFICATION EXCLUSION ABOVE, EACH PARTY HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES AND RELEASES ANY RIGHT, POWER OR PRIVILEGE EITHER MAY HAVE TO CLAIM OR RECEIVE FROM THE OTHER PARTY HERETO ANY SUCH CONSEQUENTIAL DAMAGES. FOR THE AVOIDANCE OF DOUBT, THIS LIMITATION ON REMEDIES SECTION SHALL NOT BE APPLICABLE TO ANY DIRECT OR ACTUAL DAMAGE CLAIMS BETWEEN THE PARTIES, EACH PARTY ACKNOWLEDGING AND AGREEING THAT THE REMEDIES HEREIN PROVIDED (WHICH REMEDIES ARE SUBJECT TO SECTION 3.8(c)(iv)), AND OTHER REMEDIES AT LAW AND IN EQUITY, SHALL IN ALL CIRCUMSTANCES BE ADEQUATE (INCLUDING THE RIGHT TO RECOVER DIRECT OR ACTUAL DAMAGES). THE FOREGOING WAIVER AND RELEASE SHALL APPLY IN ALL ACTIONS OR PROCEEDINGS BETWEEN THE PARTIES (INCLUDING ANY EXPERT OR ARBITRATION PROCEEDING) AND FOR ALL CAUSES OF ACTION OR THEORIES OF LIABILITY, WHETHER FOR BREACH OF THIS AGREEMENT OR FOR VIOLATION OF ANY OTHER DUTY OWING BY EITHER PARTY TO THE OTHER WHICH MAY IN ANY WAY RELATE TO MANAGER'S MANAGEMENT OR OPERATION OF THE HOTEL OTHER THAN AND EXCLUDING THE INDEMNIFICATION EXCLUSION. BOTH PARTIES FURTHER ACKNOWLEDGE THAT THEY ARE EXPERIENCED IN NEGOTIATING AGREEMENTS OF THIS SORT, HAVE HAD THE ADVICE OF COUNSEL IN CONNECTION HEREWITH, AND HAVE BEEN ADVISED AS TO, AND FULLY UNDERSTAND, THE NATURE OF THE WAIVERS CONTAINED IN THIS SECTION 31.11 AND IN SECTION 1.1. FURTHERMORE AND NOTWITHSTANDING THE FOREGOING TO THE CONTRARY, IF MANAGER BREACHES ANY AGENCY DUTY, OWNER SHALL NOT BE ENTITLED TO: (A) DISGORGEMENT, FORFEITURE OR RESTITUTION OF ANY COMPENSATION PAID BY OWNER TO MANAGER; (B) DISGORGEMENT, FORFEITURE OR RESTITUTION OF ANY BENEFIT RECEIVED BY MANAGER IN CONNECTION WITH ANY TRANSACTION ON BEHALF OF OWNER OR THE HOTEL UNLESS THE MONETARY VALUE OF SUCH BENEFIT COULD HAVE BEEN CALCULATED AND PASSED THROUGH TO OWNER IN A COMMERCIALLY REASONABLE MANNER; (C) DIVESTITURE OF ANY FINANCIAL OR OTHER INTEREST HELD BY MANAGER; OR (D) ANY RELIEF THAT DOES NOT TAKE INTO ACCOUNT THE BENEFITS RECEIVED BY OWNER FROM THE SERVICES PROVIDED BY MANAGER. The terms of this Section 31.11 survive termination.

31.12 Non-Hotel Marketing Activities by Owner

The performance of the Hotel depends on an exclusive brand affiliation with Manager and its Affiliates, and Manager has no obligation to allow Owner or any third party to use any portion of the Hotel for any activities relating to the marketing, sale or operation of any Vacation Club Products developed, marketed, sold or operated by Owner or any third party. "Vacation Club Products" means timeshare, fractional, interval, vacation club, destination club, vacation

membership, private membership club, private residence club, and points club products, programs and services and will be broadly construed to include other forms of products, programs and services where purchasers acquire an ownership interest, use or other rights to use determinable leisure units on a periodic basis and pay in advance for such ownership interest, use or other right. Manager will, however, reasonably cooperate with Owner in the development and provision of marketing materials that promote the City as a destination to Hotel guests, by electronic means or hard copy, as long as such marketing materials are reasonably acceptable to Manager and do not violate Brand Standards or any of Manager's or its Affiliates' privacy policies or applicable Laws.

31.13 Owner Financing of Hotel

(a) The parties understand that the Hotel may be financed, at least in part, with proceeds of one or more issuances of bonds or other indebtedness to be issued by Owner and secured by the revenues derived from the operation of the Hotel (the "Bonds") in accordance with an indenture or other loan agreement to be entered into by Owner in relation to the Bonds (as it may be amended or replaced, the "Indenture). In such event, in connection therewith, the Parties acknowledge that Owner will be required to make certain representations and covenants to the holders of the Bonds (including Lenders), including but not limited to covenants related to annual budgets that incorporate required operating, FF&E and debt service expenses and funding of reserves, to the holders of the Bonds or any additional bonds and that this Agreement, and other agreements that may be entered into by Manager acting under the authority granted to it under this Agreement, are instrumental to Owner in satisfying those covenants. The Parties acknowledge that all provisions in this Agreement referencing the "Bonds" apply separately to each issue of tax exempt Bonds.

(b) Owner agrees that the terms of the Indenture and any amendments, modifications or supplements thereto shall be subject to Manager's review, consultation and input. With respect to the foregoing, Owner will provide and Manager shall have the right to review the forms of the Indenture and related bond documents periodically during the preparation and negotiation thereof and to submit comments thereon. Owner will provide substantially final forms of the Indenture and related bond documents at least thirty (30) days prior to the expected date for the sale of the Bonds and Manager shall notify Owner whether or not it has objections within fifteen (15) days of receipt of such documents and if so, Manager shall provide detailed information for each objection within such fifteen (15) day period. In the event Owner does not or is unable to cure such objection, Manager's sole and exclusive remedy shall be to terminate this Agreement upon notice to Owner prior to sale of the Bonds and, notwithstanding the limitations set forth in Section 27, be paid by Owner all Management Fees up to and including the date of termination, any Manager advances, all amounts under Section 25.10 and the Termination Fee set forth in Section 3.6(b) and no other amount shall be owed by Owner to Manager under this Agreement.

(c) Manager hereby further covenants that, in connection with the issuance of the Bonds, (i) it will reasonably cooperate with Owner's consultants in relation to the Bonds and requirements under the Indenture (and related financing documents) to the extent that the same do not conflict with the rights or obligations of the Parties hereunder, and (ii) it will provide information to Owner reasonably necessary for Owner or its underwriters to comply with applicable federal income tax laws and securities laws in connection with the initial offering of the Bonds or any additional bonds, including without limitation Rule 15c2-12 promulgated by the Securities and Exchange Commission, to demonstrate satisfaction of covenants under the Indenture and to comply with its continuing disclosure obligations to holders of the Bonds under applicable securities laws (including rules issued by the Municipal Securities Rulemaking Board) and related financing documents, provided that Manager shall not be required to provide proprietary or confidential information.

(d) Without limiting the generality of Section 16.2, but subject to Section 31.13(b) and (e), Owner shall have the absolute and unrestricted right in its sole and absolute discretion to encumber all of the assets that comprise the Hotel, any part thereof, or any interest therein, as contemplated in the Bonds and the Indenture, and to assign to any holders of the Bonds and the trustee for the benefit of the holders of bonds, as collateral security, all of Owner's right, title and interest in and to this Agreement and the revenues derived from the operation of the Hotel.

(e) Owner shall have the right to issue additional bonds to refund or refinance all or part of the Bonds issued under the Indenture in accordance with the Indenture; provided that the rights and obligations of Owner and Manager set forth in Section 31.13(b) shall apply to any such additional bonds or refinancing. Owner shall deliver to Manager a final copy of any new indenture or related bond document promptly following execution thereof.

(f) This Agreement may be subject to termination as a result of a foreclosure of the Bonds under the circumstances set forth in Section 3.6.

(g) In the event Owner does not issue the Bonds contemplated under Section 31.13(a), Owner shall have the right to enter into any other financing necessary for the purchase of the Improvements and to assign to any Lender as collateral security for such financing, all of Owner's right, title and interest in and to this Agreement and to encumber all of the assets that comprise the Hotel, any part thereof, or any interest therein as a part of such financing and the requirements set forth in this Section 31.13 shall apply to such financing and Lender, *mutatis mutandis*.

(h) In the event Manager receives any reasonable request for information on the Hotel from any Lender, Owner agrees that Manager is hereby authorized to provide or distribute such information directly to such Lender.

(i) Upon reasonable advance notice from a Lender (which notice may be given orally in connection with an emergency or upon the occurrence of an event of default under any financing documents), Manager shall permit and cooperate with such Lender and its agents and representatives to enter any part of the Hotel, except for those parts of the Hotel as to which access is restricted by applicable law, at any reasonable time for the purposes of examining or inspecting the Hotel, or examining or copying the books and records of the Hotel.

31.14 Illinois Freedom of Information Act

(a) In connection with this Agreement, Manager will deliver to Owner certain information and materials which contain Manager's proprietary, privileged and/or confidential information (the "Delivered Materials"). In addition, certain of the terms of this Agreement contain proprietary, privileged and/or confidential information. Disclosure of the Delivered Materials or such terms of this Agreement would cause competitive harm to Manager.

(b) To the extent that the Delivered Materials or the terms of this Agreement constitute "trade secrets" or "commercial or financial information" under the Illinois Freedom of Information Act (5 ILCS 140), as amended ("IL FOIA") or any similar applicable law or regulation, then such Delivered Materials and such terms of this Agreement shall be maintained by Owner as confidential, and Owner will not disclose such information to any Persons other than the attorneys, accountants, financial advisors, consultants, bond underwriters or insurers, rating agencies, auditors and employees of Owner (the "City Persons"). Owner agrees to inform the City Persons that the Delivered Materials and the terms of this Agreement are subject to the provisions of this Section 31.14 and to use good faith efforts to ensure the City Persons treat the Delivered Materials and the terms of this Agreement confidentially and in accordance this Section 31.14.

(c) If any Person files a request under IL FOIA or any similar applicable law for any Delivered Materials or the terms of this Agreement, the Pre-Opening Services Agreement or the Technical Services Agreement ("Requested Information"), Owner will promptly, and in any event not more than one Business day following receipt of the request, notify Manager of the request and allow Manager a period of at least five Business days (the "Manager Review Period") within which to object to Owner, and any other relevant judicial or administrative body, to the disclosure of any of the Requested Information. If, following receipt of Manager's objection to the release of the Requested Information (or expiration of the Manager Review Period), Owner reasonably determines that the Requested Information is exempt from disclosure pursuant to IL FOIA or any similar applicable law or regulation, Owner will promptly, and in any event, within the time limits mandated under IL FOIA, assert such exemption from disclosure and decline to provide such Requested Information. If, following receipt of Manager's objection to the release of the Requested Information (or expiration of the Manager Review Period), Owner reasonably

determines that any of the Requested Information is not exempt from disclosure pursuant to IL FOIA or any similar applicable law or regulation, Owner will promptly notify Manager of such determination, and will refrain from making such disclosure for not less than five Business days following notice to Manager in order to afford Manager an opportunity to seek an injunction or other appropriate remedy if Manager believes that Owner's determination is erroneous. In no event, however, will Owner be obligated to withhold delivery beyond the time allowed for such response by IL FOIA, unless the request is quashed or the time to produce is otherwise extended.

31.15 Airport Matters

The Section 31.15 describes specific laws, rules and regulations that are included within the definition of "Laws" as defined in Section 15.1. Where such provisions require Manager to comply with such Laws or impose other obligations on Manager in connection with compliance with such Laws, then notwithstanding anything to the contrary set forth in this Section 31.15, such requirements shall be subject to Section 15.1, and Manager's obligations with respect to the matters set forth in this Section 31.15 shall be to (i) cooperate with Owner to establish the Legal Compliance Polices, and (ii) ensure that the operation of the Hotel is in compliance with such Legal Compliance Policies, as set forth in Section 15.1.

(a) The Manager shall observe and obey all rules and regulations governing the conduct and operation of the Airport, if any, promulgated from time to time by the City, county, state or federal authorities and, in particular, the Manager agrees at all times to comply with any master airport security plan and procedures for the Airport as may be established by the City from time to time. In emergency cases the City shall deliver to the Manager such emergency rules and regulations as promptly as practical.

(b) The Manager acknowledges that this Agreement involves the use of or access to space on, over or under real property acquired or improved under the Airport Improvement Program of the FAA, and therefore involves activity which serves the public. The Manager, for itself, and its respective successors in interest, and assigns, will agree that (i) no person on the grounds of race, creed, color, national origin, sex, age, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities; (ii) that no person on the grounds of race, creed, color, national origin, sex, age, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the construction of improvements on, over, or under such land and the furnishing of services thereon; and (iii) that the Manager shall manage and operate the Hotel in compliance with all other applicable requirements imposed by or pursuant to regulations of the U.S. Department of Transportation.

(c) The Manager's use and occupancy of the Hotel shall be and remain subject and subordinate to (i) the provisions of any existing or future agreements between the City and the United States government, the FAA or other governmental

authority, relative to the operation or maintenance of the Airport, the execution of which has been or will be required as a condition precedent to the granting of federal or other governmental funds, including, without limitation, any grant agreements, (ii) any use agreement heretofore or hereafter executed by the City with airlines operating at the Airport, (iii) any ordinance or indenture, or both, adopted by the City Council of the City authorizing the issuance of notes, bonds or other obligations for the Airport and securing such obligations by a pledge of revenues or net revenues of the Airport and any ordinance or indenture supplemental thereto, which shall also include any master indenture and (iv) any applicable airport minimum standards. The Manager shall not cause the City to violate any assurances made by the City to the federal government in connection with the granting of such federal funds.

(d) All of the drawings, plans, specifications, or other documentation (including the Plans) to be delivered by the Manager, and any other information or data, whether in hard copy or in electronic form (collectively, "Data"), prepared by or provided to the Manager under the Hotel Agreements may be confidential or constitute "Sensitive Security Information" under applicable federal regulations. The Manager acknowledges that such Data may contain information vital to the security of the Airport and agrees that, except as specifically authorized herein or as may be required by law, such Data will be made available to its employees, Contractors, lenders and holders of equity interests in the Manager only on a need-to-know basis and must not be made available to any other individual or organization, except the Commissioner, without the written consent of the Commissioner. The Manager is liable to the City for costs reasonably incurred by the City, the air carriers, the FAA, or the TSA to undertake security measures required to be implemented due to the Manager's failure to comply with this section, including without limitation the design and construction of improvements and posting of guards.

(e) The City reserves the right to regulate, police and further develop, improve, reconstruct, modify, or otherwise alter the Airport in the City's sole discretion. The City reserves the right, but shall not be obligated to the Manager, to maintain and keep in repair all publicly owned facilities of the Airport. The City shall not have any obligation to continue to operate the Airport or any part as an airport for passenger or freight air transportation or at any particular level of operation and may at any time limit or discontinue use of the Airport or any means of access to or within the Airport in whole or part.

(f) The Manager covenants and agrees to comply with those portions of the FAA's Policy and Procedures Memorandum – Airport Division, Number 5190.6 applicable to the Manager and the Hotel, as set forth in **Exhibit I**.

31.16 Data Security and Privacy

In the event Manager's duties under this Agreement require Manager to receive, store, transmit or manage Hotel Guest Data, or to otherwise access Hotel Guest Data, Manager will

implement, enforce and comply with the provisions of **Exhibit H** and otherwise will ensure appropriate protection and handling of Hotel Guest Data. Owner shall not be permitted to use Hotel Guest Data for any purpose during the Term except as expressly provided in this Agreement. During the term of this Agreement, Manager shall provide to Owner, upon Owner's request, aggregated and de-identified Hotel guest demographic profile information complied by Manager in the ordinary course of business for the Hotel, to the extent such information is not otherwise proprietary to Manager (such as Hilton Honors information), to the extent such use would not be a violation of any applicable Laws, Manager's or its Affiliates' privacy policy or any agreement that Manager or its Affiliates have entered into with its guests. During and after the Term, Owner shall (w) comply with all Legal Requirements and Laws applicable to Hotel Guest Data, (x) comply with Manager's or its Affiliates' privacy policy applicable to Hotel Guest Data, (y) provide at least the same level of privacy protection as is required by the relevant US-EU Privacy Shield, located at https://www.commerce.gov/page/eu-us-privacy-shield, as they may be amended from time to time or superseded by new laws, rules, regulations or orders, with respect to Hotel Guest Data originating from the European Union or any other jurisdiction abiding by such requirements that Owner receives from Manager, and (z) refrain from any action or inaction that could cause Manager to breach any Legal Requirements and Laws or the privacy policy of Manager or its Affiliates or **Exhibit H** with respect to the Hotel Guest Data. The foregoing obligations which are imposed both during and after the Term shall survive the termination of this Agreement.

31.17 Confidentiality.

Manager and its Affiliates may use information obtained through the operation of the Hotel in the operation of other hotels provided that such use is not to Owner's material detriment. Owner and Manager shall otherwise keep strictly confidential all information of a proprietary or confidential nature about or belonging to either party or to any Affiliate of either party to which the other party gains or has access by virtue of the relationship between Owner and Manager. Except as disclosure may be required to obtain the advice of professionals or consultants, or financing for the Hotel, or in furtherance of a permitted or proposed assignment of this Agreement, or as may be required by law or by the order of any government, regulatory authority or tribunal or otherwise to comply with Legal Requirements (including reporting requirements applicable to public companies), Owner and Manager shall make every effort to ensure that such information is not disclosed to the press or to any other third person without the prior consent of the other Party (which in the case of Owner, must be given by the Commissioner), which consent will not be unreasonably withheld, conditioned or delayed. Manager shall cooperate with Owner on all public statements, whether written or oral and no matter how disseminated, regarding their contractual relationship as set forth in this Agreement or the performance of their respective obligations under this Agreement. If Manager is presented with a request for documents by any administrative agency or with a subpoena *duces tecum* regarding any documents that may be in its possession by reason of this Agreement, Manager must immediately give notice to the City's Corporation Counsel. The City may contest the process by any means available to it, at the City's sole cost and expense, before the records or documents are submitted to a court or other third party. Manager, however, is not obligated to withhold the delivery beyond that time as may be ordered by the court or administrative agency, unless the subpoena or request is quashed or the time to produce is otherwise extended. The obligations set forth in this Section 31.17 shall survive any termination or expiration of this Agreement.

31.18 No Personal Liability.

Neither City nor Manager shall charge any elected or appointed official, agent, director, officer or employee of the City or Manager or any of Manager's Affiliates personally or seek to hold him or her personally or contractually liable for any liability or expenses of defense under any provision of this Agreement or because of any breach of its provisions or because of his or her execution, approval, or attempted execution of this Agreement.

31.19 Intentionally Deleted.

31.20 Joint and Several Liability.

If Manager, or its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination of them), then in that event, each and every obligation or undertaking stated in this Agreement to be fulfilled or performed by Manager is the joint and several obligation or undertaking of each such individual or other legal entity.

Section 32. DISPUTE RESOLUTION

32.1 Expert Determination.

32.1.1 Matters for Expert Determination.

All disputes relating to any of the following matters shall be resolved according to this Section 32.1:

(a) amounts due to Manager under Section 5, Section 8.1(c) and Section 8.2;

(b) approval or modification of any Annual Budget line items, except where required to comply with Brand Standards;

(c) approval or modification of the Competitive Set as contemplated in Section 3.4.1(b), agreement on the Information Source as contemplated by Section 3.4.1(f), and/or adjustments to the Yield Index Performance Standard as contemplated in Section 3.4.1(l);

(d) the cost of a Profit Transaction as contemplated by Section 4.2.2;

(e) the results of an audit as contemplated by Section 8.4(e); and

(f) amounts due to Manager or Owner on termination of this Agreement (excluding damages).

32.1.2 Selection of Expert; Procedure; Fees and Expenses.

The process for the selection of an Expert, the procedure for the resolution of a dispute by the Expert, and the responsibility for payment of costs of the Expert and the proceedings shall be as set forth in Section 3.4.1(c). The authority of the Expert is limited to deciding the matter submitted to it.

32.1.3 Decision of Expert.

All decisions of the Expert under Section 32.1, absent fraud, are final and binding on the Parties and shall not be capable of challenge, whether by arbitration, in court, or otherwise, and are enforceable in any court of competent jurisdiction.

32.2 Other Disputes

Except for disputes relating to matters resolved in accordance with Section 32.1, the Parties may not commence litigation or other legal proceedings with respect to any dispute, claim or issue arising out of or relating to the relationship created by this Agreement ("Dispute") until the Party has complied with this Section 32.2. In the event of any Dispute (other than matters resolved in accordance with Section 32.1), the Parties shall first attempt to resolve the Dispute in accordance with this Section 32.2. Except for disputes relating to matters resolved in accordance with Section 32.1, the Parties must first attempt to settle the Dispute by participating in at least eight (8) hours of mediation, or such shorter period as the Parties may agree. The mediation process shall be administered by JAMS or its successors ("JAMS"). The mediation shall be held in Chicago, Illinois, (the "Situs"). If, at the time a Dispute arises, JAMS does not exist or does not have a mediator that can serve in accordance with the terms of this Section 32.2, and the Parties cannot agree on the identity of a substitute service provider, then the complaining Party must petition a state or federal court in the State of Illinois in the county of Cook to identify a substitute service provider, and the service provider identified by such court shall administer the mediation process in accordance with the terms of this Section 32.2. The service provider identified in accordance with the provisions of this Section 32.2 is referred to in this Agreement as the "ADR Provider." The complaining Party must notify the other Party or Parties that a Dispute exists and then contact the ADR Provider to schedule the mediation conference. The mediator shall then be selected under the rules of the ADR Provider, but the mediator must have experience in the hospitality industry and must not have any conflict of interest. If one Party invokes mediation pursuant to this Section 32.2, the other Party will make good faith efforts to meet within a reasonable time to undertake the mediation. If a Party has not made good faith efforts to undertake mediation within forty-five (45) days after the other Party has invoked mediation, then the Party that had invoked such mediation may proceed to litigation or other legal proceedings without further action. The mediation shall be a non-binding conference between the Parties in accordance with applicable rules and procedures of the ADR Provider. No Party may initiate legal proceedings until the mediation is complete. Any mediation is considered complete:

(a) if the Parties enter into an agreement to resolve the Dispute;

(b) by the Party submitting the Dispute to mediation, if the other Party fails to appear at or participate in a reasonably scheduled mediation conference; or

(c) if the Dispute is not resolved within five (5) days after the mediation is completed.

The Parties shall share equally the costs, including fees, of the any mediator selected or appointed under this Section 32.2. As soon as practicable after selection of the mediator, the

mediator or the mediator's designated representative shall determine a reasonable estimate of the mediator's anticipated fees and costs, and send a statement to each Party setting forth that Party's equal share of the fees and costs. Each Party shall deposit, within ten (10) days after receipt of the statement, the required sum with the mediator.

32.3 Legal Proceedings.

For any Dispute other than matters resolved in accordance with Section 32.1, in the event the Parties are unable to resolve the Dispute after complying with Section 32.2, the Parties shall have the right to commence litigation or other legal proceedings with respect to the Dispute. The prevailing Party in any suit or other action arising out of or related to this Agreement is entitled to recover its reasonable fees, costs and expenses relating to the action or the Dispute, including reasonable judicial and extra-judicial attorneys' fees, expenses and disbursements, and fees, costs and expenses relating to any mediation, arbitration or other action.

32.4 Temporary Restraining Orders or Other Injunctive Relief.

Notwithstanding the preceding terms of Section 32.2 and the other provisions of this Section 32, either Party may seek temporary restraining orders or other injunctive relief in the federal or state courts of the Situs to prevent the other Party from any breach or threatened breach of any restrictive covenant, provided that ultimate disposition of such matter shall be determined by the other applicable provisions of this Section 32.

32.5 Intellectual Property Disputes.

Notwithstanding the other provisions of this Section 32 or anything to the contrary herein, Manager or its Affiliates may bring an action in any court of competent jurisdiction to enforce or protect its rights in Manager Intellectual Property, including enjoining any unauthorized or improper use of the Manager Intellectual Property.

32.6 Survival.

The terms of this Section 32 shall survive the termination of this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above written.

OWNER	**MANAGER**
CITY OF CHICAGO	**HILTON MANAGEMENT LLC, a Delaware limited liability company** **By: Hilton Domestic Operating Company Inc., as "Operator"**
By: _____	By: _____
Its: _____	Its: _____

EXHIBIT A
LEGAL DESCRIPTION OF SITE

Legal Description - Parcel 1

That part of Sections 7 and 8, Township 40 North, Range 12 East of the Third Principal Meridian, described as follows: Commencing at the Northwest corner of Section 9, Township 40 North, Range 12 East of the Third Principal Meridian; thence South 88 degrees 07 minutes 05 seconds West 3358.469 feet along the Westerly extension of the North line of the Northwest 1/4 of said Section 9; thence South 53 degrees 59 minutes 13 seconds West 1763.78 feet to the point of beginning of the herein described property, said point being South 21,423.94 feet and East 20,042.65 feet (being coordinates as defined in the Ordinance passed by the City Council of Chicago on July 11, 1957); thence Northwesterly 713.19 feet along the arc of a circle of 1067.544 feet radius convex to the Northeast whose chord bears North 55 degrees 09 minutes 06 seconds West to a point which is South 21,023.96 feet and East 19,468.19 feet; thence North 15 degrees 42 minutes 35 seconds East 70.00 feet to a point which is South 20,956.57 feet and East 19,487.14 feet; thence Southeasterly 759.95 feet along the arc of a circle of 1137.544 feet radius convex to the Northeast whose chord bears South 55 degrees 09 minutes 06 seconds East to a point which is South 21,382.78 feet and East 20,099.28 feet; thence South 53 degrees 59 minutes 13 seconds West 70.00 feet to the herein designated point of beginning, all in Chicago O'Hare International Airport, in Cook County, Illinois.

Legal Description - Parcel 2

That part of Sections 7 and 8, Township 40 North, Range 12 East of the Third Principal Meridian, described as follows: Commencing at the Northwest corner of Section 9, Township 40 North, Range 12 East of the Third Principal Meridian; thence South 88 degrees 07 minutes 05 seconds West 3358.469 feet along the Westerly extension of the North line of the Northwest 1/4 of said Section 9; thence South 53 degrees 59 minutes 13 seconds West 1693.178 feet to the point of beginning of the herein described property, said point being South 21,382.78 feet and East 20,099.28 feet (being coordinates as defined in the Ordinance passed by the City Council of Chicago on July 11, 1957); thence Northwesterly 759.95 feet along the arc of a circle of 1137.544 feet radius convex to the Northeast whose chord bears North 55 degrees 09 minutes 06 seconds West to a point which is South 20,956.57 feet and East 19487.14 feet; thence North 15 degrees 42 minutes 35 seconds East 24.00 feet to a point which is South 20,933.47 feet and East 19,493.64 feet; thence Southeasterly 775.99 feet along the arc of a circle of 1161.544 feet radius convex to the Northeast whose chord bears South 55 degrees 09 minutes 06 seconds East to a point which is South 21,368.67 feet and East 20,118.69 feet; thence South 53 degrees 59 minutes 13 seconds West 24.00 feet to the herein designated point of beginning, all in Chicago O'Hare International Airport, in Cook County, Illinois.

Legal Description - Parcel 3

That part of Section 8, Township 40 North, Range 12 East of the Third Principal Meridian, described as follows: Commencing at the Northwest corner of Section 9, Township 40 North, Range 12 East of the Third Principal Meridian; thence South 88 degrees 07 minutes 05 seconds West 3358.469 feet along the Westerly extension of the North line of the Northwest 1/4 of said Section 9; thence South 53 degrees 59 minutes 13 seconds West 1763.178 feet to the point of beginning of the herein described property, said point being South 21,423.94 feet and East 20,042.65 feet (being coordinates as defined in the Ordinance passed by the City Council of Chicago on July 11, 1957); thence South 34 degrees 50 minutes 54 seconds West 139.14 feet to a point which is South 21,538.13 feet and East 19,963.15 feet; thence North 55 degrees 09 minutes 06 seconds West 211.25 feet to a point which is South 21,417.42 feet and East 19,789.78 feet; thence North 34 degrees 50 minutes 54 seconds East 189.08 feet to a point which is South 21,262.24 feet and East 19,897.83 feet; thence Southeasterly 217.45 feet along the arc of a circle of 1067.544 feet radius convex to the Northeast whose chord bears South 41 degrees 50 minutes 54 seconds East to the herein designated point of beginning, all in Chicago O'Hare International Airport, in Cook County, Illinois.

Legal Description - Parcel 4

That part of Sections 7 and 8, Township 40 North, Range 12 East of the Third Principal Meridian, described as follows: Commencing at the Northwest corner of Section 9, Township 40 North, Range 12 East of the Third Principal Meridian; thence South 88 degrees 07 minutes 05 seconds West 3358.469 feet along the Westerly extension of the North line of the Northwest 1/4 of said Section 9; thence South 53 degrees 59 minutes 13 seconds West 1763.178 feet to a point which is South 21,423.94 feet and East 20,042.65 feet (being coordinates as defined in the Ordinance passed by the City Council of Chicago on July 11, 1957); thence Northwesterly 495.74 feet along the arc of a circle of 1067.544 feet radius convex to the Northeast whose chord bears North 49 degrees 19 minutes 03 seconds West to the point of beginning of the herein described property, said point being South 21, 103.68 feet and East 19,670.09 feet; thence South 34 degrees 50 minutes 54 seconds West 189.08 feet to a point which is South 21,258.85 feet and East 19,562.05 feet; thence North 55 degrees 09 minutes 06 seconds West 211.25 feet to a point which is South 21,138.14 feet and East 19,388.68 feet; thence North 34 degrees 50 minutes 54 seconds East 139.14 feet to a point which is South 21,023.96 feet and East 19,468.19 feet; thence Southeasterly 217.45 feet along an arc of said circle of 1067.544 feet radius convex to the Northeast whose chord bears South 68 degrees 27 minutes 18 seconds East to the herein designated point of beginning, all in Chicago O'Hare International Airport, in Cook County, Illinois.

Legal Description - Parcel 5

That part of Section 8, Township 40 North, Range 12 East of the Third Principal Meridian, described as follows: Commencing at the Northwest corner of Section 9, Township 40 North, Range 12 East of the Third Principal Meridian; thence South 88 degrees 07 minutes 05 seconds West 3358.469 feet along the Westerly extension of the North line of the Northwest 1/4 of said Section 9; thence South 53 degrees 59 minutes 13 seconds West 1763.178 feet to a point which is South 21,423.94 feet and East 20,042.65 feet (being coordinates as defined in the Ordinance passed by the City Council of Chicago on July 11, 1957); thence Northwesterly 217.45 feet along the arc of a circle of 1067.544 feet radius convex to the Northeast whose chord bears North 41 degrees 50 minutes 54 seconds West to the point of beginning of the herein described property, said point being South 21,262.24 feet and East 19,897.83 feet; thence North 55 degrees 09 minutes 06 seconds West 277.50 feet to a point which is South 21,103.68 feet and East 19,670.09 feet; thence Southeasterly 278.29 feet along an arc of said circle of 1067.544 feet radius convex to the Northeast whose chord bears South 55 degrees 09 minutes 06 seconds East to the herein designated point of beginning, all in Chicago O'Hare International Airport, in Cook County, Illinois.

EXHIBIT B

RESERVED

EXHIBIT C-1
LISTING OF CURRENT CHAIN SERVICES

As of the date of this Agreement, the Chain Services include certain services and programs with respect to the general categories and subcategories identified below.

1. Sales:
   - Worldwide sales offices; domestic and international
   - Brand marketing with a separate team for Luxury
   - Travel industry sales with an additional specialized effort for Luxury accounts
   - Domestic and internal preferred corporate management with specialized effort for luxury clients
   - Strategic account management team focusing on business to business relationships
   - Team managing sales to 3rd party group meeting planners
   - Coordination and representation at customer events

2. Marketing:
   - Marketing program development and delivery
   - eCommerce, SEO, and site optimization
   - Creative design and advertising deployment
   - Brand PR

3. Brand Culture and Performance:
   - Brand development and narrative
   - Brand performance support
   - Development and implementation of certain training programs with specialized Luxury training
   - Certain training for all Hilton operating systems and service delivery programs
   - Certain Hilton University online content

4. Reservations and Systems:
   - Enterprise Revenue Management, Pricing Strategies, and Product Development (i.e. 2x points)
   - Distribution Strategy including TMC, GDS, and OTA enterprise negotiations
   - Toll Free (1-800) Reservations
   - Web Direct (including app and mobile) Reservation
   - GDS and Direct Connect Reservations
   - Hilton reservations system (CRS) maintenance & enhancements
   - Website (including app and mobile) design, maintenance & enhancements

EXHIBIT C-2

LISTING OF DIRECT DEDUCTIONS SERVICES

As of the date of this Agreement, the Direct Deductions Services includes certain services and programs with respect to the items identified below.

- Honors customer loyalty program
- Group commissions including third party and OTA commissions
- Email/voicemail and telephone systems
- Recruitment system, talent acquisition and commissions
- Talent management system
- Sales system (i.e. DMPE)
- Labor management system
- Trade shows and customer events
- Various internal conferences
- Team survey and meeting planner survey
- Certain training programs
- IT support
- Systems installation
- Online activity expense
- Account processing fees
- Management development program
- Sales Optimization system
- Revenue management system (i.e., GRO)
- EDGE program
- ResMax program
- Hilton Revenue Management Consolidation Center ("RMCC")
- Property Management System (includes OnQ)
- Helpdesk Services
- Budget /Forecast Systems
- Hotel Back-up/Back-up Exec
- SCCM
- Field Services (based on Tier)
- Intercall

EXHIBIT C-3

LISTING OF CENTRAL OFFICE SERVICES

"Central Office Services" include certain programs, services, support, and assistance with respect to the categories listed below that are furnished on a central or regional basis to Brand Name hotels, but exclude (i) services and programs funded by the Chain Services Fee and (ii) the Direct Deductions Services.

1. Multi layered regional support for all functional disciplines including sales and marketing, revenue management, finance, human resources, ecommerce, property operations, food and beverage and loss prevention.

2. Enterprise strategy development led by the CEO and Executive Committee

3. Hotel operations strategy and support led by the President Americas

4. Various matrix support from each functional discipline led by Global heads

5. Regional support aligned with these disciplines and directed by the President Americas

6. Financial planning and systems development

7. Enterprise reputation management as led by the CEO

8. Internal communication system to all team members and hotels.

9. Enterprise research and development.

10. Communications assistance, PR, crisis management

11. Labor relations legal assistance

12. Certain legal assistance on general issues and employment

13. GED acquisition and tuition reimbursement programs for team members

14. Certain systems support

15. IT Security for Manager systems consistent with Manager's standard practices

EXHIBIT D

ASSISTANCE AGENCIES FOR IDENTIFYING MBE/WBES

CITY OF CHICAGO ASSIST AGENCY LIST	
AFRICAN AMERICAN CONTRACTORS ASSOCIATION 7445 S South Chicago Ave., Ste. 1F Chicago, IL 60619 Attn: Omar Shareef Main: (312) 915-5960; Office: (773) 891-3233 Fax: (312) 567-9919; Cell: (312) 446-5984 Email: acca.natl.offc@hotmail.com	**ASIAN AMERICAN SMALL BUSINESS ASSOCIATION** 1600 Golf Rd. Rolling Meadows, IL 60008 Attn: John Lee – Executive Director P O. Box 1471 Morton Grove, IL 60053-7471 Phone: (847) 409-1900; Fax: (847) 229-9440 Email: aasba5000@msn.com
ASSOCIATION OF ASIAN CONSTRUCTION ENTERPRISES 333 North Ogden Avenue Chicago, IL 60607 Attn: Perry Nakachi – President Phone: (847) 525-9693; Fax: (312) 666-1785 Email: nackmancorp@aol.com	**BLACK CONTRACTORS UNITED** 400 West 76th Street, Suite 710 Chicago, IL 60620 Attn: Edward McKinnie – President Phone: (773) 483-4000; Fax: (773) 483-4150 Email: mckinnie@blackcontractorsunited.com
CITY OF CHICAGO DEPARTMENT OF PROCUREMENT SERVICES 121 North LaSalle Street, Rm. 806 Chicago, IL 60602 Attn: Jamie L. Rhee Phone: (312) 744-9750; Fax: (312) 744-0010 Email: Jamie.rhee@cityofchicago.org	**CHICAGO MINORITY SUPPLIER BUSINESS DEVELOPMENT COUNCIL** 105 West Adams, Suite 2300 Chicago, IL 60603 Attn: Shelia Hill-Morgan – Executive Director Phone: (312) 755-8880 x 515; Fax: (312) 755-8890 Email: shill@chicagomsdc.org Contact: Needa Sharp
CHICAGO URBAN LEAGUE 4510 South Michigan Avenue Chicago, IL 60653 Attn: Victor Davis Phone: (773) 624-8826; Fax: (773) 451-3549 Email: vdavis@chicagourbanleaugue.org	**CHICAGO WOMEN IN TRADES** 2444 West 16th Street, Suite 3E Chicago, IL 60608 Attn: Jayne Vellinga –Executive Director Advocacy & Special Initiatives Phone: (312) 942-1444 ext. 209; Fax: (312) 942-1599 Email: jvellinga@cwit2.org
COOK COUNTY GOVERNMENT, OFFICE OF CONTRACT COMPLIANCE 118 N. Clark St., Room 1020 Chicago, IL 60602 Attn. Shannon E Andrews – Director of Procurement Phone: (312) 603-5502; Fax: (312) 603-6118 Email: sandrews@cookcountygov.com	**COSMOPOLITAN CHAMBER OF COMMERCE** 203 N. Wabash, Suite 518 Chicago, IL 60601 Attn: Camice Carey – Executive Director Phone: (312) 499-0611; Fax: (312) 701-0095 Email: ccarey@cosmochamber.org
ALLIANCE OF MINORITY & FEMALE CONTRACTORS/FEDERATION OF WOMEN CONTRACTORS 100 E. Washington St. Springfield IL 62701 Attn. Beth Doria – Executive Director Phone (312) 360-1122. Fax: (312) 360-0239 Email fwcchicago@aol com	**ILLINOIS DEPARTMENT OF CENTRAL MANAGEMENT SERVICES** 100 West Randolph, 4th Floor Chicago, IL 60601 Attn· Carlos Gutierrez – Certification Manager Phone: (312) 814-4190; Fax: (312) 814-5539 Email: carlos.gutierrez@illinois.gov

CITY OF CHICAGO
ASSIST AGENCY LIST

HISPANIC AMERICAN CONSTRUCTION INDUSTRY ASSOCIATION (HACIA) 650 West Lake Street, Suite 415 Chicago, IL 60661 Attn: Jorge Perez – Executive Director Phone: (312) 575-0389; Fax: (312) 575-0544 Email: jperez@haciaworks.org	**LATIN AMERICAN CHAMBER OF COMMERCE** 3512 West Fullerton Avenue Chicago, IL 60647 Attn: Socorro Garcia – Director Phone: (773) 252-5211; Fax: (773) 252-7065 Email: sgarcia@latinamericanchamberofcommerce.com
ILLINOIS HISPANIC CHAMBER OF COMMERCE 855 West Adams St,. Suite 100 Chicago, Illinois 60607 Attn: Alex Alcantar – Assistant Director Phone: (312) 425-9500; Fax: (312) 425-9510 Email: aalcantar@ihccbusiness.net	**PUERTO RICAN CHAMBER OF COMMERCE** 3151 W Diversey Ave Chicago, IL 60647 Attn: Miersa Cuervas – Executive Director Phone: (773) 904-7996; Fax: (773) 771-1777 Email: miersa@prcci.com
RAINBOW/PUSH COALITION 930 East 50th Street Chicago, IL 60615 Attn: Brandon Evans – Project Manager Phone: (773) 256-2781; Fax: (773) 373-4104 Email: bevans@rainbowpush.org	**S.B.A. GOVERNMENT CONTRACTING** 500 W. Madison St., Suite 1240 Chicago, IL 60661 Attn: Linda Jones – Administrative Assistant Phone: (312) 353-4506; Fax: (312) 353-3311 Email: linda.jones@sba.gov
U.S. SMALL BUSINESS ADMINISTRATION 500 West Madison Street, Suite 1150 Chicago, IL 60661 Attn: Pam Beavers – Area Director Phone: (312) 353-7381; Fax: (312) 353-3111 Email: pam.beavers@sba.gov	**WOMEN'S BUSINESS DEVELOPMENT CENTER** 8 South Michigan Avenue, Suite 400 Chicago, IL 60603 Attn: Frieda Curry Phone: (312) 853-3477 x53; Fax: (312) 853-0145 Email: fcurry@wbdc.org
CHATHAM BUSINESS ASSOCIATION 8441 South Cottage Grove Chicago, IL Attn: Melinda Kelly – Executive Director Phone: (773) 994-5006; Fax: (773) 994-9871 Email: melkelCBA@sbcglobal.net	**MINORITY BUSINESS DEVELOPMENT AGENCY** 55 East Monroe, 1440 Chicago, IL 60603 Attn: Maxine Graham – Administrative Technician Phone: (312) 535-3579 Email: mgraham@mbda.gov
ILLINOIS BLACK CHAMBER OF COMMERCE 331 Fulton Street, Suite 409 Peoria, Illinois 61602 Attn: Larry Ivory – Executive Director Phone: (309) 740-4430 Email. larryivory@illinoisblackchamber.com	**NATIONAL ORGANIZATION OF MINORITY ENGINEERS** 33 West Monroe Street, Suite 1540 Chicago, IL 60603 Attn: Michael Sutton – Executive Director Phone: (312) 960-1239 Email: msutton@infrastructure-eng.com
SUBURBAN MINORITY CONTRACTORS ASSOCIATION 1250 South Grove Ave, Suite 200 Barrington, IL 60010 Attn: Larry Bullock – President Phone: 847-852-5010 Email: aprilcobra@hotmail.com	**INNERCITY YOUTH FOUNDATION** 4500 S. Michigan Ave. Chicago, IL 60653 Attn: Christine Perkins Phone: (773) 285-2000; Fax (773) 548-1238 Email: innercityyouthchicago.org

CITY OF CHICAGO ASSIST AGENCY LIST	
ALLIANCE OF BUSINESS LEADERS AND ENTREPRENEURS 150 N. Michigan Ave., Suite 2800 Chicago, IL 60601 Phone: (312) 624-7733; Fax: (312) 624-7734 Email: ablechicago.com	**ASIAN AMERICAN INSTITUTE** 4753 N Broadway St, Suite 502 Chicago, IL 60640 Attn: Tuyet Le – Executive Director Phone: (773) 271-0899; Fax: (773) 271-1982 Email: TLe@advancingjustice-chicago.org Website: www.aaichicago.org
NATIONAL ASSOCIATION OF WOMEN BUSINESS OWNERS – CHICAGO CHAPTER 3332 W. Foster Ave., Suite #121 Chicago, IL 60625 Attn: Michael Chan – Executive Director Phone: (312) 224-2605; Fax: (847) 679-6291 Website: www.nawbochicago.org	**WOMEN CONSTRUCTION OWNERS & EXECUTIVES CHICAGO CAUCUS** 308 Circle Avenue Forest Park, IL 60130 Attn: Mary K Minaghan Phone: (708) 366-1250; Fax: (708) 366-5418 Email: info@wcoeusa.org
COALITION FOR UNITED COMMUNITY LABOR FORCE 321 Hoyne Ave., Suite 305E Chicago, IL 60612 Attn: Rev. Hatchett Phone: (312) 243-5149	**SOUTH SHORE CHAMBER, INCORPORATED** 1750 E. 71st Street, Suite 208 Chicago, IL 60649 Attn: Teyonda Wertz – Executive Director Phone: (773) 955-9508; Fax: (773) 955-9554 Email: twertz@southshorechamberinc.org
UNITED NEIGHBORHOOD ORGANIZATION (UNO) 954 West Washington Blvd., 3rd Floor Chicago, IL 60607 Phone: (312) 432-6301; Fax: (312) 432-0077 Website: uno-online.org	

EXHIBIT E

MANAGER'S EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION POLICY

Equal Employment Opportunity Policy Statement

Hilton

A NOTICE AND INVITATION TO ALL TEAM MEMBERS AND APPLICANTS

Christopher J Nassetta, President and CEO

AFFIRMATIVE ACTION AND EQUAL EMPLOYMENT OPPORTUNITY POLICY STATEMENT

Hilton has been and will continue to be an equal opportunity employer. To assure full implementation of this equal employment policy, we will take steps to assure that:

a. Persons are recruited, hired, assigned and promoted without regard to race, religion, color, national origin, citizenship, sex, gender identity, sexual orientation, veteran's status, age or disability.

b. All other personnel actions, such as compensation, benefits, transfers, layoffs and recall from lay offs, access to training, education, tuition assistance and social recreation programs are administered without regard to race, religion, color, veteran's status, national origin, citizenship, sex, gender identity, sexual orientation, age or disability

c Team Members and applicants shall not be subjected to harassment, intimidation, threats, coercion or discrimination because they have: (1) filed a complaint, (2) assisted or participated in an investigation, compliance review, hearing or any other activity related to the administration of any federal, state or local law requiring equal employment opportunity; (3) opposed any act or practice made unlawful by any federal, state or local law requiring equal opportunity or (4) exercised any other right protected by federal, state or local law requiring equal opportunity

I have appointed Megan Sampson to take on the responsibilities of EEO Coordinator. As EEO Coordinator, she will be responsible for the day to day implementation and monitoring of this Affirmative Action Plan As part of that responsibility, she will periodically analyze the Company's personnel actions and their effects to insure compliance with our equal employment policy.

If you, as one of our team members or as an applicant for employment, have any questions about this policy or would like to be considered under our Affirmative Action Plan, please contact Megan Sampson during regular business hours. This is also a reminder that team members may update their disability status at any time by contacting your Human Resources Representative.

I have reviewed and fully endorse our Affirmative Action and Equal Employment Opportunity program. In closing, I ask the continued assistance and support of all of the Company's personnel to attain our objective of equal employment opportunity for all.

EXHIBIT F

CONTRACTING GUIDELINES

1. **Term**

- Maximum of the lesser of five years or the remaining term of the Management Agreement.
- Termination for convenience if more than one year (although it may be subject to a reasonable termination fee).
- No automatic extensions or renewals.

2. **Indemnification**

No indemnification of a contractor shall be given without Owner's prior written consent where the cost to Owner of such indemnity obligation would exceed the aggregate expenditures to be made under such contract. Each such agreement shall include a commercially reasonable indemnification provision in favor of the Owner, given the nature of the agreement (which, based on the nature of the agreement, may include indemnification for environmental contamination), indemnifying the Owner and its Related Parties. No limitations on or exclusions from a contractor's indemnification of Manager and Owner shall be permitted, except for Manager's or Owner's respective contributory negligence, gross negligence or willful misconduct, without Owner approval.

3. **Reserved**

4. **Insurance Requirements**

Insurance coverages and requirements commensurate with the risk, as reasonably determined by Manager in accordance with its standard practices for Brand Hotels, insuring all work, services, or operations related to the Agreement should be maintained.

5. **Attorneys' Fees**

Delete provisions that require Owner to pay attorney's fees unless to a prevailing party.

6. **Limitation of Liability/Disclaimer or Warranty**

No limitation of liability or disclaimer of warranty provisions without the Owner's prior written consent, except those, which are customary for the type of goods or services being provided.

7. **Equal Employment Opportunity**

Subject to the provisions of Section 15.1, include language in compliance with Section 15.1 of the Management Agreement in every contract as required by the Legal Compliance Policies (other than those expressly exempted by the provisions of Section 15.1).

8. **Automatic Payments**

No provision to automatically debit account for fees without the Owner's review and approval.

9. **Exclusions**

The Contracting Guidelines set forth in this Exhibit F do not apply to (i) transactions between Manager and a Related Person (which are instead governed by Section 4.2.1), (ii) transactions between Manager and a Manager Affiliate (which are instead governed by Section 4.2.2), (iii) Chain Services (which are instead governed by Section 8.2.1), (iv) Direct Deductions Services (which are instead governed by Section 8.2.2), (v) Centralized Purchasing Services (which are instead governed by Section 8.2.5), (vi) contracts, agreements and other arrangements on forms provided "system wide" to the Hotel and any of the other Brand Hotels, (vii) booking, sales and distribution, and other similar agreements entered into by Manager in the normal course of business, (viii) insurance policies required to be provided by Manager hereunder; or (ix) collective bargaining agreements or other labor contracts.

EXHIBIT G

ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS
AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B. 1 .a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5%ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ]Yes [X]No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

   [ ]Yes [X] No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

   [ ] Yes [X] No [ ] The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute Appendices A and B on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in Appendices A and B are true, accurate and complete as of the date furnished to the City.

Hilton Management LLC
Print or type the name of the Applicant

Hilton Worldwide Holdings Inc. April 25, 2018
Print or type exact legal name of Disclosing Party Date

By: _____ (*Sign here*) Title Vice-President and Assistant Secretary
of *Check One*: ___ Applicant or ___X___Disclosing Party

Print or type name of person signing Owen Wilcox

Signed and sworn to before me on (date) April 25, 2018
at Fairfax County, Virginia (state).
Notary Public _____
Commission expires 3/31/2022

CLAUDIA FABIAN ACEVEDO
NOTARY PUBLIC
REG. # 3[illegible]544
MY COMMISSION EXPIRES
03/31/2022
COMMONWEALTH OF VIRGINIA

EXHIBIT H

DATA PRIVACY AND SECURITY REQUIREMENTS

1. OWNER DATA; HOTEL GUEST DATA.

1.1 Confidentiality. Owner Data shall be deemed a part of and included as part of Owner's confidential information. Hotel Guest Data shall be considered Manager's confidential information. Owner Data and Hotel Guest Data shall be handled, used, stored, returned and destroyed in accordance with all applicable restrictions pertaining to confidential information under this Agreement.

1.2 Ownership. Manager acknowledges that Owner is the sole owner of all of Owner Data. Owner acknowledges that Manager is the sole owner of all Hotel Guest Data.

1.3 Media. No media on which the Owner Data is stored may be re-used to deliver data to a third party, including another Owner of Manager unless and until it has been securely erased and degaussed.

1.4 Storage. In the event Manager stores any Owner Data on storage media not located on the Owner network (or on a third-party's network approved by Owner), Manager will maintain and implement procedures to physically and logically segregate Owner Data from Manager's data and data belonging to Manager's other Owners.

2. DATA SECURITY.

2.1 Procedures and Safeguards. Manager will establish and maintain environmental, safety and facility procedures, data security procedures and other safeguards against the destruction, corruption, loss or alteration of Owner Data and Hotel Guest Data and to prevent access, intrusion, alteration or other interference by any unauthorized third parties of the same, that are: (a) no less rigorous than those maintained by Manager for its own information or the information of its Owners of a similar nature; and (b) no less rigorous than the accepted practices in the industry. Without limiting the generality of the foregoing, Manager will: (x) house all equipment in physically secure premises protected at least by access controlled doors; and (y) utilize state-of-the-art virus and intrusion checking software and firewalls.

2.2 Equipment. Manager will: (a) house all equipment in environmental conditions at least equivalent to those recommended by the manufacturers; (b) house all equipment in physically secure premises protected at least by fire and flood protection and access controlled doors; and (c) utilize state-of-the-art virus and intrusion checking software and firewalls.

2.3 Encryption. Manager shall provide encrypted communications as requested by Owner between Manager and Owner as otherwise agreed upon by the parties.

2.4 Information Technology. Manager's internal information security controls for systems that process, store or transmit personal information are designed to meet the requirements of PCI-DSS 3.2 and Sarbanes-Oxley and were built and implemented using NIST 800-53 and ISO 27002 as guiding standards. Manager (or its Affiliates) at a minimum, conducts regular internal audits and assessments of aspects of the Manager's information technology systems' security controls in accordance with industry best practices. If any audit or assessment referenced in this Section 2.4 uncovers any deficiencies or identifies any suggested changes in Manager's security controls, Manager shall, at its reasonable discretion (taking into consideration their severity and risk), exercise reasonable efforts to promptly address such identified deficiencies and/or suggested changes, including, without limitation, revising its written information security policies.

2.5 Data Security Breach Notice. Manager agrees to notify Owner in accordance with Manager's standard practices for other Brand Hotels with respect to Manager's discovery of any breach of Manager's data security procedures that results in any actual or threatened loss, corruption, or alteration of the Owner Data or Hotel Guest Data. In such an instance, in addition to Manager's other obligations under this Agreement, or under any law or regulation, Manager agrees to remedy promptly any such breach and to fully cooperate with Owner in resolving such breach and mitigating any damage from such breach.

2.6 Security Breach Response. Manager shall document responsive actions taken in connection with any incident involving a breach of security, and mandatory post-incident review of events and actions taken, if any, to make changes in business practices relating to protection of Owner Data or Hotel Guest Data.

2.7 Security and Business Continuity Plan. Manager will develop a draft security, business continuity and disaster recovery plan and will provide such plan to Owner for its review. The plan is incorporated with this reference. Such plan at a minimum will reflect appropriate and effective administrative, technical and physical safeguards, in compliance with all applicable laws, to preserve the integrity, confidentiality, and availability of and to prevent unauthorized or prohibited use of Owner Data. Manager will keep such plans current and will provide Owner with any updates to such plan.

2.8 PCI Data Security Standards. In the event Manager will collect, store, process, transmit or otherwise handle credit card, debit card or other "cardholder data" as that term is defined and used in the

Payment Card Industry Data Security Standards and the Payment Application Data Security Standards, as applicable (collectively, the "**PCI DSS**"):

(a) Manager represents and warrants as follows: (i) it shall comply with the current and future versions of the PCI DSS; Card Association rules, policies, and regulations (as they may appear on Card Association websites); and all applicable laws, regulations, ordinances, rules, and orders of governmental authorities having jurisdiction over Owner; and (ii) Manager shall be solely and exclusively responsible for maintaining the security of all cardholder data and sensitive authentication data (as those terms are defined and used in the PCI DSS) in its possession and control. Manager shall indemnify, defend, and hold Owner harmless from and against any claims, damages, or expenses arising out of Manager's breach of the foregoing warranties. "**Card Associations**" means the bankcard associations (e.g., MasterCard and Visa) and other non-bankcard or private label associations such as American Express, Discover, JCB, private label, and other credit or debit card associations. Without limiting the generality of the foregoing, Manager shall handle and secure all cardholder data in a matter fully compliant with the PCI DSS.

(b) Manager shall provide an Attestation of Compliance, to the extent applicable to Manager, described in the PCI DSS as evidence of its compliance with the PCI DSS.

(c) Manager shall make the applicable employees and other resources, including its Chief Information Security Officer, Internal Security Assessor and/or external Qualified Security Assessor, available to Owner to answer questions and provide information relating to Manager's compliance with the PCI DSS.

(d) Manager shall cooperate with Owner in connection with Owner's monitoring of Manager's compliance with the PCI DSS in accordance with the requirements and guidelines provided with respect to the PCI DSS, including the delivery of relevant documentation to evidence and support Manager's compliance with the PCI DSS (e.g., the documentation identified in Section 2.8(b), above, and other relevant documentation). Without limiting the generality of the foregoing, Manager shall cooperate with Owner and provide documentation and information to Owner as is necessary for Owner to comply with its obligations under the PCI DSS.

2.9 Manager's Internal Network Security System. Manager shall take all appropriate security precautions to prevent malicious or unauthorized

access to Owner's systems and maintain the accuracy and integrity of Owner Data and Hotel Guest Data. Manager shall establish and maintain a security system covering all computers and wireless systems. Manager will educate and train its personnel on the proper use of the computer security system and the importance of information security. At a minimum the security system will include the following elements:

(a) Appropriate levels of internal controls for granting access to source code, data, graphics, audio/visual materials and the like used in performing the Services. Secure access control measures that include: (i) restrict access to records and files containing Owner Data and Hotel Guest Data to those who need such information to perform their job duties; (ii) assign unique identifications plus passwords, which are not Manager supplied default passwords, to each person with computer access, that are reasonably designed to maintain the integrity of the security of the access controls; and (iii) use of two factor identification systems to allow limited and controlled access to Manager's internal network;

(b) Secure user authentication protocols should include: (i) control of user IDs and other identifiers; (ii) a reasonably secure method of assigning and selecting passwords, or use of unique identifier technologies, such as biometrics or token devices; (iii) control of data security passwords to ensure that such passwords are kept in a location and format that does not compromise the security of the data they protect; (iv) restricting access to active users and active user accounts only; and (v) blocking access to user identification after multiple unsuccessful attempts to gain access or the limitation placed on access for the particular system;

(c) To the extent technically feasible, encryption for all records and files containing Owner Data and Hotel Guest Data that will (i) travel across public networks; (ii) be transmitted wirelessly. All Owner Data and Hotel Guest Data to be stored on laptops or other portable devices shall be stored on encrypted devices.

(d) For any system connected to the Internet, reasonably up-to-date firewall protection and operation system security patches, designed to maintain the integrity of the personal information; and

(e) Reasonably up-to-date versions of the system security agent software which must include malware protection and reasonably up-to-date patches and virus definitions, or a version of such software that can still be supported with up-

to-date patches and virus definitions, and is set to receive the most current security updates on a regular basis.

3. **DATA PRIVACY.** Owner Data and Hotel Guest Data may include information that relates to or personally identifies any Owner, agent, end user or representative, or guest such as names, addresses, phone numbers, email addresses, purchase history, employment information, financial information, medical information, credit card information, and social security numbers ("**Personal Information**"). Manager agrees to comply with the following provisions regarding the maintenance of Owner Data and Hotel Guest Data. These obligations are consistent with industry standards and contain administrative, technical and physical safeguards to ensure the security and confidentiality of Owner Data and Hotel Guest Data.

3.1 Identify Location of All Owner Data and Hotel Guest Data. Manager shall identify all paper, electronic and other records, computing systems, and storage media, including laptops and portable devices, used to store Owner Data or Hotel Guest Data to determine which records contain Owner Data or Hotel Guest Data.

3.2 Comply with Owner Privacy Statement. Manager acknowledges that Personal Information may have been collected by Owner and provided to Manager subject to the terms and conditions of Owner's Privacy Statement. Manager's use of such Personal Information shall be in compliance with such Privacy Statement.

3.3 Restrict Physical Access to Records. Manager shall place reasonable restrictions upon physical access to records containing Owner Data and Hotel Guest Data and provide a written procedure that sets forth the manner in which physical access to such records is restricted and considers the storage of such records and data in locked facilities, storage areas or containers.

3.4 Restrict Personnel Access to Records. Manager shall (a) consider whether and how employees should keep, access and transport records containing Owner Data or Hotel Guest Data outside of business premises; (b) prevent assess by terminated employees by immediately terminating their physical and electronic access to such records, including deactivating passwords and user names; (c) verify that subcontractors with access to Owner Data or Hotel Guest Data have the capacity to protect the Owner Data and Hotel Guest Data including (i) selecting and retaining subcontractors that are capable of maintaining safeguards for Owner Data and Hotel Guest Data, and (ii) contractually require subcontractors to maintain such safeguards; and (d) require all subcontractors to submit a written verification that such subcontractor has a written, comprehensive information security program that is no less rigorous than the Manager's requirements.

3.5 Limit Data Collection. Manager shall (a) limit the amount of Owner Data and Hotel Guest Data collected to that reasonably necessary to accomplish the legitimate purpose for which it is collected; (b) limit the time such information is retained to that reasonably necessary to accomplish such purpose; and (c) limit access to persons who are reasonably required to know such information in order to accomplish such purpose or to comply with state or federal record retention requirements.

4. **SYSTEM ACCESS**. In the event the Services require Manager to access Owner's systems or network, Owner shall provide Manager access to Owner's systems and network as required under the following terms and conditions:

4.1 Access from External Networks. Manager agrees that no access from external networks, including the internet, will be permitted unless strong authentication and encryption is used for such access. Manager shall maintain an access control list for all access to the internal network from an external network and Manager agrees that any of its servers exposed to the internet that contain Owner Confidential Information or Personal Information run on a hardened operation system. In addition, any internet facing server must have a demilitarized zone ("**DMZ**") that sits between it and Manager's network. The DMZ must be separated by firewalls at each border.

4.2 Use of On-Site Hardware and Software. Owner may provide Manager personnel with access to computers, printers, data transmission lines, software, and similar items (collectively, "**Hardware**") so that Manager can better perform its obligations under the Agreement. Manager must use all Hardware provided to it solely as necessary for the provision of Services to Owner. Manager acknowledges that all such Hardware is owned by Owner. Manager shall not pledge as collateral or otherwise allow any liens or encumbrances upon Owner's Hardware. To the extent required to perform the Services, Manager further agrees to execute any license, sublicense or other agreement that may be needed to access software contained in the Owner's Hardware or other systems.

4.3 Viruses and Corrupted Data. Manager shall scan any material intended for electronic transmission to or on behalf of Owner in any format (i.e., e-mail, file transfer, diskette tape, etc.) for viruses and/or other malicious computer programs before transferring such material.

4.4 Policies. Manager shall comply with any further Owner Information Security policies as may be provided to Manager.

5. **COMPLIANCE**.

5.1 Compliance with laws. Without limiting any other obligations under this Appendix or the Agreement, Manager warrants that it will comply with all applicable local, state, federal, and international data

privacy, data security, confidentiality, consumer protection, advertising, electronic mail, data destruction, and other similar laws, rules, and regulations relating to the privacy and security of Personal Information.

5.2 Suspension of Performance. In the event Manager determines that the performance of the Services would be illegal or in violation of any applicable laws, rules or regulations, or if the performance of the Services would violate Owner's Privacy Statement, Manager must immediately notify Owner in writing and describe the actions Manager is taking to remedy such issue. Solely in the event Manager is unable to remedy the issue promptly, Manager may suspend any portion of the Services upon written notice to Owner only to the limited extent necessary to prevent any violation of law, rule or regulation or the Privacy Statement. Such a suspension of Services shall not constitute a default under this Agreement, but in such event, the parties agree to use commercially reasonable efforts to implement an alternative method of performing and deliver the Services, which must be agreed upon in writing by Owner. If no such alternative method can be reasonably implemented, Owner may terminate this Agreement on written notice to Manager.

5.3 Audit. Upon Owner's reasonable request during the Term of this Agreement, Manager shall certify that it is in compliance with this Exhibit, including without limitation confirmation that its security controls and processes are adequate to protect Owner Data (including Personal Information) and its access of any Owner system or network are in accordance with the terms of this Agreement. Such certification shall be signed by a senior officer of Manager. Owner shall have the right to review any audit logs kept for all transactions allowed through the firewall. All information reviewed, collected or received related to such audits will be considered confidential Delivered Materials.

6. MONITORING AND VIOLATIONS.

6.1 Monitoring. Manager will regularly monitor its security policies and update the information safeguards as necessary to prevent unauthorized access to or unauthorized use of Owner Data and Hotel Guest Data.

6.2 Perform Risk Assessments. Manager shall review the scope of the its security measures at least annually or whenever there is a material change in business practices that reasonably implicates the security or integrity of records containing Owner Data and Hotel Guest Data. In doing so, Manager will (a) identify and assess reasonably foreseeable internal and external risks to the security, confidentiality, and integrity of any electronic, paper or other record containing Owner Data and Hotel Guest Data; (b) evaluate the effectiveness of the current safeguards for limiting such risks, including but not

limited to: (i) ongoing employee (including temporary and contract employee) education and training on the proper use of the computer security system and the importance of information security; (ii) employee compliance with policies and procedures; and (iii) means for detecting and preventing security system failures; and (c) if necessary, improve the safeguards.

6.3 Disciplinary Actions. Manager shall impose disciplinary measures for a violation of this exhibit by Manager's personnel.

EXHIBIT I

FAA POLICY AND PROCEDURES MEMORANDUM – AIRPORT DIVISION, NUMBER 5190.6 – COVENANTS

The Manager covenants, acknowledges and agrees as follows:

1.1 No Exclusive Rights. Nothing contained in this Agreement must be construed to grant or authorize the granting of an an exclusive right to provide aeronautical services to the public as prohibited by Section 308(a) of the Federal Aviation Act of 1958, as amended, and the City reserves the right to grant to others the privilege and right of conducting any one or all activities of an aeronautical nature. It is clearly understood by Manager that no right or privilege has been granted that would operate to prevent any person, firm, or corporation operating aircraft on the Airport from performing any services on its own aircraft with its own regular employees (including maintenance and repair) that it may choose to perform.

1.2 Airport Landing Area. The City reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of Manager, and without interference or hindrance. The City reserves the right, but is not obligated to, to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Manager in this regard.

1.3 No Obstructions. Subject to Section 15.1, Manager must comply with applicable notification and review requirements covered in Part 77 of the Federal Aviation Regulations if any future structure or building is planned for the Site, or in the event of any planned modification or alteration of any present or future building or structure situated on the Site. Manager, by accepting the Agreement, expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on the Site above the applicable mean sea level elevation set forth in Part 77 of the Federal Aviation Regulations. If the covenants contained herein are breached, the City serves the right to enter upon the Site and to remove the offending structure or object and/or cut down the offending tree at the expense of the Hotel.

1.4 Aviation Easement. There is reserved to the City, its successors and assigns for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the Site. This public right of flight includes the right to cause in the airspace any noise inherent in the operation of any aircraft used for navigation or flight through the airspace or landing at, taking off from, or operation on the Airport. Manager by accepting this Agreement and subject to Section 15.1 agrees for itself, its successors, and assigns that it will not make use of the Site in any manner that might interfere with the landing and taking off of aircraft from Airport or otherwise constitute a hazard. If the covenants contained herein are breached, the City reserves the right to enter upon the Site and cause the abatement of the interference at the expense of the Hotel.

1.5 National Emergency. This Agreement and all the provisions of this Agreement are subject to whatever right the United States Government now has or in the future may have or acquire affecting the control, operation, regulation, and taking over of the Airport, or the exclusive or non-exclusive use of the Airport by the United States during the time of war or national emergency.

1.6 Airport Rules and Regulations. Subject to Section 15.1, Manager shall faithfully observe and comply, and shall cause its employees, contractors and agents to faithfully observe and comply, with any reasonable rules which the City may from time to time make provided that such rules apply to all similarly situated tenants, licensees or concessionaires, if any, and are related to the safety, care, appearance, reputation, operation or maintenance of the Airport, the Site, the Terminal or the Common Areas or the comfort of tenants or others using such areas or facilities. The City shall uniformly enforce such rules and regulations as to all similarly-situated concessionaires, including Manager, but shall not have any duty or obligation to Manager to enforce such rules or the terms and conditions in any other lease as against any other tenants and the City shall not be liable to Manager for violations of the same by other tenants, their employees, contractors, agents or licensees.

EXHIBIT J

INSURANCE REQUIRED

Chicago Department of Aviation

O'Hare Airport

Hotel Ongoing Management and Operations

A. INSURANCE REQUIRED

Manager must provide the insurance coverages and requirements specified below, insuring all work, services, or operations related to the Agreement, during the Term of the Agreement and during the time period following expiration if Manager is required to return and perform any work, services, or operations at the Hotel pursuant to the Agreement.

1) Workers Compensation and Employer's Liability (Primary and Umbrella)

Workers Compensation Insurance, as prescribed by applicable law covering all employees of Manager who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than $1,000,000 each accident; $1,000,000 disease-policy limit; and $1,000,000 disease-each employee, or the full per occurrence limits of the policy, whichever is greater. Coverage shall include other state endorsement, voluntary compensation and alternate employer, when applicable.

Manager may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

2) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent must be maintained with limits of not less than $1,000,000 per occurrence, or the full per occurrence limits of the policy, whichever is greater, for bodily injury, personal injury, advertising injury, and property damage liability. Coverages must include, but not be limited to, the following: All premises and operations, products/completed operations, separation of insureds, terrorism, liquor liability, elevator collision, explosion, collapse, and underground, incidental medical malpractice including employed nurses, nursing aids, first responders or EMTs as insureds; bodily injury insured definition to include mental anguish, shock, mental injury and humiliation, including resulting death; no exclusion for child care, day care, or baby-sitting services (if applicable), sexual abuse and molestation; personal injury definition to include discrimination; products and completed operations for food or

beverages for consumption, valet services, food or beverage contamination, innkeepers legal liability, no exclusion for bacteria, fungi, legionella or other micro toxins, no professional liability exclusion for spas, health or exercise clubs, third party discrimination, no pollution exclusion for consumables, pool chemicals, pesticides, or any other equipment servicing the hotel including heating and cooling, defense, and contractual liability (not to include Endorsement CG 21 39 or equivalent).

The City and other entities as required by the City must be provided additional insured status with respect to liability arising out of Manager's work, services or operations. Such additional insured status shall be at least as broad as that afforded the named insured or the Manager. The City's additional insured status must apply to liability and defense of suits arising out of the operation of the Hotel, whether such liability is attributable to the Manager or to the City. The full policy limits and scope of protection also will apply to the City as an additional insured, even if they exceed the City's minimum limits required herein. Manager's liability insurance must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

Manager may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

3) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work, services or operations to be performed, the Manager must provide Automobile Liability Insurance with limits of not less than $1,000,000 per occurrence, or the full per occurrence limits of the policy, whichever is greater, for bodily injury and property damage. Coverage must include, but not be limited to, any automobiles in your care, custody and control, and garage keepers liability. The City is to be added as an additional insureds on a primary, non-contributory basis.

Manager may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

4) Excess/Umbrella

Excess/Umbrella Liability Insurance must be maintained with limits of not less than $200,000,000 per occurrence, or the full per occurrence limits of the policy, whichever is greater. The policy/policies must provide the same coverages/follow form as the underlying Commercial General Liability, Automobile Liability, Employers Liability, Completed Operations coverage and, if commercially available, Employment Practices required herein and expressly provide that the excess or umbrella policy/policies will drop down over reduced and/or exhausted aggregate limit, if any, of the underlying

insurance. The Excess/Umbrella policy/policies must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

Manager may use a combination of primary and excess/umbrella policies to satisfy the limits of liability required in sections A.1, A.2, A.3 A.4, A.5 and A.8 herein.

5) Management/Professional Liability

Management/Professional Liability Insurance must be maintained covering acts, errors, or omissions with limits of not less than $25,000,000 related to work, services or operations in connection with this Agreement. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work under this Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of five (5) years.

Manager may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

Manager may self-insure for Management/Professional Liability Insurance in lieu of obtaining coverage from a third party insurer.

6) Commercial Crime Insurance

The Manager must provide a Fidelity Bond or Commercial Crime coverage covering all loss or damage by employee dishonesty, robbery, burglary, theft, destruction or disappearance, computer fraud, credit card forgery, and other related crime risks. The policy limit must be written to cover losses in the amount of maximum monies collected, received or on premises at any given time, but not to exceed $5,000,000. Coverage must include, but not be limited to, third party fidelity coverage, including coverage for loss due to theft and must not contain a requirement for an arrest and/or conviction.

7) Cyber Liability

Cyber Liability insurance must be maintained with limits of not less than $10,000,000 for each occurrence covering claims for security or privacy breaches (liability arising from the loss or disclosure) of failure to keep data secure but only arising out of breaches occurring to Manager owned and maintained systems. The City is to be named as an additional insured for third party liability.

8) Employment Practices Liability

Employment Practices Liability must be maintained with limits of not less than $5,000,000 for each occurrence covering claims for discrimination,

wrongful termination, sexual harassment, and retaliation. The City is to be named as an insured on a primary, non-contributory basis.

Manager may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

B. Additional Requirements

Manager must furnish the City, Chicago Department of Aviation, 10510 W. Zemke Rd, Chicago, IL 60666, original certificates of insurance and additional insured endorsement, or other evidence of insurance, to be in force on the date of this Agreement, and renewal certificates of Insurance and endorsement, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. Manager must submit evidence of insurance prior to execution of Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of Agreement. The failure of the City to obtain, nor the City's receipt of, or failure to object to a non-complying insurance certificate, endorsement or other insurance evidence from Manager, its insurance broker(s) and/or insurer(s) will not be construed as a waiver by the City of any of the required insurance provisions. Manager must advise all insurers of the Agreement provisions regarding insurance. The City in no way warrants that the insurance required herein is sufficient to protect Manager for liabilities which may arise from or relate to the Agreement. The City may review the certified copies of any required insurance policies at a mutually agreeable location at any time upon reasonable request.

Failure to Maintain Insurance. Failure to the Manager to comply with the required coverage and terms and conditions herein will not limit Manager's liability or responsibility nor does it relieve Manager of the obligation to provide insurance as specified in this Agreement. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to suspend this Agreement until proper evidence of insurance is provided, or the Agreement may be terminated.

Notice of Material Change, Cancellation or Non-Renewal. Manager must provide for sixty (60) days prior written notice to be given to the City in the event coverage is substantially changed, canceled or non-renewed and ten (10) days prior written notice for non-payment of premium.

Waiver of Subrogation. Manager hereby waives its rights and its insurer(s)' rights of and agrees to require their insurers to waive their rights of subrogation against the City under all required insurance herein for any loss arising from or relating to this Agreement. Manager agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City received a waiver of subrogation endorsement for Manager's insurer(s).

Manager's Insurance Primary. All insurance required of Manager under this Agreement shall state that Manager's insurance policy is primary and not

contributory with any insurance carrier by the City.

No Limitation as to Manager's Liabilities. The coverages and limits furnished by Manager in no way limit the Manager's liabilities and responsibilities specified within the Agreement or by law.

No Contribution by City. Any insurance or self-insurance programs maintained by the City do not contribute with insurance provided by Manager under this Agreement.

Insurance not Limited by Indemnification. The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

Insurance and Limits Maintained. If Manager maintains higher limits and/or broader coverage than the minimums shown herein, the City requires and shall be entitled the higher limits and/or broader coverage maintained by Manager. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Joint Venture or Limited Liability Company. If Manager is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

Other Insurance obtained by Manager. If Manager desires additional coverages, the Manager will be responsible for the acquisition and cost.

Insurance required of Contractors and Subcontractors. Manager shall require each Contractor and each Subcontractor to provide and maintain Commercial General Liability, Commercial Automobile Liability, Worker's Compensation and Employers Liability Insurance and when applicable Excess/Umbrella Liability Insurance with commercially reasonable coverage. The limits of coverage will be determined by Manager but shall be not less than $5,000,000 per occurrence for access to the airfield. Manager shall determine if Contractor(s) and Subcontractor(s) must also provide any additional coverage or other coverage outlined in Section A, Insurance Required. Manager is responsible for ensuring that each Subcontractor has named the City as an additional insured where required on an additional insured endorsement form acceptable to the City. Manager is also responsible for ensuring that each Contractor and each Subcontractor has complied with the required coverage and terms and conditions outlined in this Section B, Additional Requirements. When requested by the City, Manager must provide to the City certificates of insurance and additional insured endorsements or other evidence of insurance. The City reserves the right to obtain complete, certified copies of any required insurance policies at any time. Failure of the Contractor(s) or Subcontractor(s) to comply with required coverage and terms and conditions outlined herein will not limit Manager's liability or responsibility.

City's Right to Modify. Notwithstanding any provisions in the Agreement to the contrary, the City, Department of Finance, Risk Management Office maintains the

right to modify, delete, alter or change these requirements, subject to Manager's prior written approval, not to be unreasonably withheld, unless required by Legal Requirements or by Owner's Lender.

EXHIBIT K-1
SPECIAL CONDITIONS REGARDING ACDBE PARTICIPATION

Chicago Department of Aviation September 8, 2015

Special Conditions Regarding Airport Concession Disadvantaged Business Enterprise (ACDBE) Commitment

[Special Conditions document follows]

SPECIAL CONDITIONS REGARDING

AIRPORT CONCESSIONS DISADVANTAGED BUSINESS ENTERPRISE (ACDBE)

COMMITMENT

I. POLICY AND PROGRAM

It is the policy of the City of Chicago ("City") not to discriminate on the basis of race, color, sex or national origin in the award or performance of airport concession agreements. Because the City is a recipient of Airport Improvement Program funds from the Federal Aviation Administration ("FAA"), the concessions at the City's airports are subject to 49 CFR Part 23, Participation of Disadvantaged Business Enterprise in Airport Concessions ("Part 23"). The City will not, directly or indirectly, through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or impeding the accomplishment of the objectives of Part 23. Compliance with Part 23 requirements will not diminish or supplant the Tenant's obligations to comply with nondiscrimination laws as required elsewhere in the Agreement. In the event of a conflict between the provisions of these Special Conditions and the requirements of Part 23, the requirements of Part 23 shall prevail. Part 23 is available on-line at www.access.gpo.gov/nara/cfr/waisidx_06/49cfr23_06.html.

It is further the policy of the City, in accordance with the requirements of Part 23, that Airport Concession Disadvantaged Business Enterprises ("ACDBEs") have the maximum opportunity to participate fully in the City's airport concession program. As used throughout these Special Conditions, the term "ACDBE" means an entity that has been certified as such under the Illinois Unified Certification Program ("UCP"). If a firm is not certified by the Illinois UCP as an ACDBE in accordance with the standards in Part 23, the firm's participation is not counted for Part 23 purposes. ACDBEs certified by other jurisdictions are not considered certified ACDBEs for purposes of this Agreement and will not be counted as such unless they have also been certified by the Illinois UCP.

In accordance with Part 23, Subparts B and D, the City submitted an ACDBE Program and ACDBE Goal for approval by the FAA. The FAA-approved ACDBE Program and ACDBE Goal are available upon request. In the event of any amendments or revisions to Part 23 (or any related or superseding regulations), these Special Conditions shall be subject to such revised regulations and any City-promulgated program, regulations, or goals established thereunder. Upon request by the City, this Agreement shall be amended to replace these Special Conditions with revised Special Conditions that reflect the then-current federal regulations, if necessary.

The following assurances are required to be included in the Agreement by 49 CFR §23.9(c). Tenant is deemed to be the "concessionaire or contractor" referenced.

1. This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase order or other agreement covered by 49 CFR Part 23.

2. The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR Part 23, that it enters and cause those businesses to similarly include the statements in further agreements.

II. GOALS

The City has established, and the Federal Aviation Administration has approved, aspirational goals for ACDBE participation in its airport concessions program as required by Part 23, Subpart D. Generally, ACDBE participation in airport concessions is measured as a percentage of annual gross receipts earned by the concessions. Details on counting ACDBE participation are found in 49 CFR §§ 23.53 (rental car concessions) and 23.55 (non-rental car concessions) and described further below:

Rental Car Concessions. Due to the lack of ACDBE rental car companies, the national or regional nature of rental car industry procurement practices and a general lack of reliable historical data, the City has determined that the aspirational goal for ACDBE participation in rental car concessions is 1.7%. Nevertheless, rental car concessionaires are encouraged to use all reasonable efforts to maximize procurement of goods and services from ACDBEs that may be certified in the Illinois UCP or the UCPs of other states.

Non-Rental Car Concessions. The City has determined that the appropriate aspirational goal for ACDBE participation in non-rental car concessions is 37%. Historical data regarding ACDBE participation at the City's airports indicates that this aspirational goal should consist of a race-neutral goal of 17% and a race-conscious goal of 20%.

The foregoing aspirational goals are for the City's concessions program as a whole. With respect to this Agreement, the City may or may not have established a contract-specific ACDBE aspirational goal at the time that the City issued the Request for Proposals for the concession ("RFP"). If the RFP included a contract-specific goal, Tenant's proposal either included participation by ACDBE(s) that met or exceeded the contract-specific goal or Tenant demonstrated "good faith

efforts" to meet that contract-specific goal but was unable to do so. Guidance on "good faith efforts" can be found in Appendix A to 49 C.F.R. Part 26. Appendix A as it appears on the date of the Agreement is incorporated in Section VI.A. of these Special Conditions, but Tenant is responsible for compliance with federal regulations as they may be amended from time to time.

III. TENANT'S ACDBE COMMITMENT

A. INITIAL ACDBE COMMITMENT

1. Rental Cars. As provided in II above, there is no ACDBE participation goal for rental car concession agreements. Consequently, rental car concessions are not required to commit to a percentage participation by ACDBEs in the concession, but rental car companies are strongly encouraged to utilize ACDBEs to the maximum extent possible in the procurement of goods and services.

2. Non-Rental Cars. The extent and nature of the ACDBE participation commitment by Tenant is documented in Schedules B, C and\or D attached to these Special Conditions ("ACDBE Commitment"). As used these Special Conditions and in Schedules B, C and D, "Tenant" means the entity with whom the City has entered into a concession agreement, whether that entity is referred to in that agreement as "Tenant", "Licensee" or other term.

The total ACDBE Commitment, stated as a percentage of the concessions gross revenues, must equal or exceed the percentage ACDBE participation required in the Term Sheet attached to the Agreement as Exhibit 1. If the Term Sheet indicates that there is no ACDBE participation requirement for this concession, it will be conclusive evidence that either (a) the RFP contained no contract-specific goal and Tenant did not propose any ACDBE participation or (b) the Tenant demonstrated, to the satisfaction of the City, that it exerted good faith efforts to obtain ACDBE participation to meet a contract-specific goal but was unable to obtain such participation. In either such event, there will be no Schedule B, C or D attached to these Special Conditions.

If there is ACDBE participation in the form of a joint venture member, the attached Schedule B sets forth the essential terms of that joint venture participation, including a representation as to the value of the ACDBE's activities in operating the concession as a percentage of gross revenues, and a copy of the joint venture agreement is attached to Schedule B. If there is ACDBE participation is in the form of ACDBE(s) acting as sublicensee(s) or subcontractor(s), it is documented in Schedules C and D. Schedule(s) C is the commitment by the ACDBE(s) to participate by providing the goods or services indicated, and Schedule D is the commitment by the non-ACDBE to such participation by the ACDBE(s).

B. CHANGES IN ACDBE PARTICIPATION

Arbitrary changes by the Tenant in its ACDBE Commitment are prohibited. Further, after entering into a joint venture agreement, sublicense or subcontract (collectively, "ACDBE agreement") with each approved ACDBE, Tenant and each ACDBE must thereafter neither terminate the ACDBE agreement, reduce the scope of the ACDBE's participation in the concession, nor decrease the compensation to the ACDBE, as applicable, without in each instance receiving the prior written approval of the City. Tenant must promptly notify the Commissioner of any proposed change in an ACDBE agreement and submit a copy of the proposed amendment to the ACDBE agreement. In any event, the collective participation of the previously approved ACDBE(s) must either continue to contribute to the concession at least the value of the ACDBE Commitment, as stated in terms of a percentage of gross revenues, or substitute or additional ACDBE(s) must be retained by Tenant pursuant to (D) below to maintain the ACDBE Commitment, except as provided in (C) below. Failure to comply with the ACDBE Commitment is an event of default under the Agreement. If the

proposed change in ACDBE participation is approved by the City, Tenant and ACDBE(s) must complete revised Schedules B, C or D, as applicable.

C. INVOLUNTARY CHANGES IN ACDBE PARTICIPATION

1. In the event that it appears that Tenant will not comply with its ACDBE Commitment because: (i) an ACDBE has defaulted in its performance under the ACDBE agreement through no fault of Tenant, (ii) an ACDBE is decertified by the Illinois UCP through no fault of Tenant and the ACDBE's participation can no longer be counted, (iii) the ACDBE's certified area of specialty has been changed through no fault of Tenant and the ACDBE's participation can no longer be counted, or (iv) an ACDBE is otherwise unable or unwilling to perform its obligations through no fault of Tenant, then Tenant must promptly notify the City, specifying one or more of the foregoing reasons as the cause for potential noncompliance with the ACDBE Commitment. If the City concurs with the specified reason, Tenant shall use good faith efforts as described in Section VI below to replace the ACDBE's participation with participation by another ACDBE. As provided in Section VI, Tenant must demonstrate those good faith efforts to the satisfaction of the Commissioner. In the event that Tenant wishes to replace an ACDBE or reduce an ACDBE's participation for reasons other than the foregoing, Tenant must replace the ACDBE's participation with participation by an ACDBE that is acceptable to the City so that total ACDBE participation meets or exceeds the ACDBE Commitment, and Tenant's good faith efforts to do so are not sufficient. Failure to comply with the foregoing shall be an event of default under the Agreement.

2. Tenant's position in these cases must be fully explained and supported with adequate documentation. Stated reasons which will NOT be acceptable include: A replacement firm has been recruited to perform the same function under terms more advantageous to the Tenant; issues about performance by the committed ACDBE were disputed (unless every reasonable effort has already been taken to have the issues resolved or mediated satisfactorily); and an ACDBE has requested reasonable price escalation which may be justified due to unforeseen circumstances.

D. ACDBE SUBSTITUTION AND ADDITIONAL ACDBEs

If Tenant identifies a substitute, replacement or additional ACDBE for the City's approval, Tenant's request for approval shall include the name, address, and principal official of the proposed ACDBE; the nature and essential terms of the ACDBE agreement under which the ACDBE will participate; and a letter of intent signed by Tenant and the ACDBE to enter into such an ACDBE agreement upon approval by the City. Tenant must provide such other affidavits and documents as the City may request to evaluate the request. The City will evaluate and respond to the submitted documentation within fifteen working days after the submittal of a complete request. The response may be in the form of approving the request, requiring more information, or requiring an interview.

Actual use of a substitute, replacement or additional ACDBE should not be made by Tenant before City approval is given. An ACDBE agreement between Tenant and the ACDBE must be executed within the time specified by the City, and a fully executed copy of the ACDBE agreement must be submitted immediately to the City.

E. AGREEMENT EXTENSIONS, ASSIGNMENTS AND SUBLEASES

If the Agreement contains a term extension or if the Tenant proposes an assignment or sublease of the Agreement, as a condition precedent to the City's consent to such extension, assignment or sublease, the City and Tenant will revisit and possibly adjust the Tenant's ACDBE Commitment to reflect any possible change in ACDBE availability and to ensure compliance with Part 23 as it may have been amended in the interim. Tenant will be required to provide amended Schedules D, B, or C, along with amended ACDBE agreements, to reflect any required changes to the ACDBE Commitment or provide documentation of good faith efforts to achieve increased ACDBE participation.

IV. COUNTING ACDBE PARTICIPATION

A. NON-RENTAL CAR CONCESSIONS

In order for their participation in the concession to be counted and reported to the FAA, ACDBEs must perform a commercially useful function, as defined in 49 CFR § 23.55(a). The work performed or gross receipts earned by a firm after its ACDBE eligibility has been removed are not counted, except as provided in 49 CFR § 23.55(j). Costs incurred in connection with the renovation, repair, or construction of a concession facility (sometimes referred to as the "buildout") are not counted. Otherwise, ACDBE participation in non-rental car concessions is counted as follows:

1. Tenant is an ACDBE. When Tenant is an ACDBE or a joint venture consisting only of ACDBEs, the gross receipts earned by Tenant are counted. Gross receipts attributable to a non-ACDBE sublicensee of Tenant are not counted.

2. Separate locations. When an ACDBE performs as a sublicensee to Tenant with its own concession location or when Tenant is a joint venture which includes a non-ACDBE and in which an ACDBE operates its own separate location, the gross receipts earned by the ACDBE at its separate location are counted. The ACDBE location must be independently operated by the ACDBE as evidenced by the ACDBE's responsibility for all aspects of the management and operation of the location. Gross receipts attributable to a non-ACDBE sublicensee of the ACDBE are not counted.

3. Joint venture, no separate locations. When Tenant is a joint venture with an ACDBE participant and the ACDBE jointly participates with a non-ACDBE in the operation of all locations, only the portion of the Tenant's gross receipts attributable to the distinct, clearly defined portion of the work of the concession that the ACDBE performs with its own forces is counted. When the City has reason to doubt the extent of an ACDBE joint venturer's commercially useful contribution towards the concessionaire's gross receipts, the City may require Tenant to submit evidence to substantiate the value of the ACDBE's contribution. If the Tenant fails to submit satisfactory evidence, it is an event of default under the Agreement.

4. Subcontractor participation. When an ACDBE provides, as a subcontractor to Tenant, goods or services for operation of the concession, the amounts paid to the ACDBE are counted as provided below. However, if the ACDBE enters into a subcontract with a non-ACDBE to provide the goods or services, the amounts paid to the non-ACDBE are not counted.

a. The entire amount of fees or commissions charged by an ACDBE firm for a *bona fide* service, provided that the City determines this amount to be reasonable and not excessive as compared with fees customarily paid for similar services. Such services may include, but are not limited to, professional, technical, consultant, legal, security systems, advertising, building cleaning and maintenance, computer programming, or managerial.

b. The entire amount of the cost of goods obtained from an ACDBE manufacturer, as provided in 49 CFR § 23.55(f).

c. The entire amount of the cost of goods purchased or leased from a ACDBE regular dealer, as provided in 49 CFR § 23.55(g).

d. For goods purchased from an ACDBE which is neither a manufacturer nor a regular dealer, the amount of reasonable fees, commissions, or delivery charges earned by the ACDBE, as provided in 49 CFR § 23.55(h).

B. RENTAL CAR CONCESSIONS

If Tenant is a rental car company, ACDBE participation counts in accordance with the provisions of 49 CFR §23.53. Goods and services will be counted in accordance with the following:

1. The entire amount of the cost charged by an ACDBE for repairing vehicles, provided that it is reasonable and not excessive as compared with fees customarily allowed for similar services; and further provided that any portion of a fee paid by a manufacturer to an ACDBE car dealership for reimbursement of work performed under the manufacturer's warranty is excluded;

2. The entire amount of the fee or commission charged by an ACDBE to manage a car rental concession under an agreement with the Tenant, provided that it is reasonable and not excessive as compared with fees customarily allowed for similar services.

3. For other goods and services, ACDBE participation counts as provided in 49 CFR §26.55 and §23.55. In the event of any conflict between these two sections, §23.55 controls.

4. If a rental car company has a national or regional contract with an ACDBE, it may count a pro-rated share of the amount of that contract toward the goals of each airport covered by the contract as provided in §23.55(f).

Rental car companies may also count ACDBE direct participation through direct ownership arrangements, but such arrangements are not required.

V. CERTIFICATION, RECORDS, REPORTS AND MONITORING

A. CERTIFICATION

Copies of letters of certification from a member of the Illinois UCP for each ACDBE that is part of Tenant's ACDBE Commitment are attached to their respective Schedule C or Schedule B. All letters of certification issued by the City of Chicago include a statement of the ACDBE firm's area of specialization.

Each ACDBE must promptly notify Tenant if there is any change in the ACDBE's certification status. Tenant, in turn, must notify Commissioner of any change in an ACDBE's certification status and provide a copy of any correspondence from the certifying agency regarding the status of an ACDBE's certification.

The ACDBE's scope of work, as detailed by Schedule B, C or D, must conform to its stated area of specialization. If, during the course of this Agreement, Tenant proposes to amend Schedules B, C or D so that an ACDBE performs additional work or supplies additional goods, materials or services not covered by its area of certification, the ACDBE must request an extension of its certification for such work, goods, materials or services in order to count toward the ACDBE's participation in the concession. The request to expand the scope of the ACDBE's certification, together with all documentation required by the City to process that request, must be received by the City at least 60 days in advance of the proposed date to perform such additional work or supply such additional goods, materials or services.

B. RECORDKEEPING

The Tenant must maintain records of all relevant data with respect to the utilization of ACDBEs, retaining these records for a period of at least three years after termination or expiration of the Agreement. Tenant grants full access to these records to the City of Chicago, Federal or State authorities, the U.S. Department of Justice, or their duly authorized representatives.

C. REPORTING

Tenant must file ACDBE utilization reports (monthly if non-rental car and quarterly if rental car), together with its concession license fee payment, delineating for the month or quarter, as applicable, and cumulatively for the year-to-date: (i) contribution by ACDBE joint venture member(s) or sublicensee(s) to Tenant's gross receipts and (ii) payments to ACDBE subcontractor(s). Each ACDBE utilization report must be signed by an authorized officer or representative of the Tenant and be notarized.

D. MONITORING

The City will, from time to time during the term of the Agreement, conduct investigations and interviews to monitor and verify that ACDBE participation in the concession meets or exceeds the ACDBE Commitment. Tenant must give, upon request, earnest and prompt cooperation to the City in submitting to inspections and interviews, in allowing entry to places of business, in providing further documentation, and in requiring the cooperation of its ACDBEs.

If the City determines that an ACDBE's actual role or responsibilities do not comply with the representations made by Tenant and the ACDBE in Schedules B, C or D, or that Tenant and/or ACDBE have misrepresented to the City either the payments to the ACDBE or the value of the ACDBE's participation in a joint venture, it shall be an event of default under the Agreement.

VI. GOOD FAITH EFFORTS

A. EXAMPLES

Examples of "good faith efforts" are described below and in 49 CFR § 23.25, 49 CFR §26.53, and Appendix A to 49 CFR Part 26. As provided in § 23.25, §26.53 and Appendix A to 49 C.F.R. Part 26, the following are examples of documented actions that the City may take into consideration in determining whether Tenant made good faith efforts:

1. Soliciting through all reasonable and available means (e.g., advertising and/or written notices) the interest of all certified ACDBEs who have the capability to perform work or services or to supply goods relevant to the concession. Tenant must solicit this interest within sufficient time to allow the ACDBEs to respond to the solicitation. Tenant must determine with certainty if the ACDBEs are interested by taking appropriate steps to follow up initial solicitations.

2. Soliciting the work, services or goods in portions that increase the likelihood that an ACDBE can perform the work or services or provide the goods. This includes, when appropriate, breaking out contract items into economically feasible units to facilitate ACDBE participation, even when the concessionaire might otherwise prefer to perform these work items with its own forces.

3. Providing interested ACDBEs with adequate information about the operations, management and requirements of the concession in a timely manner to assist them in responding to a solicitation.

4. Negotiating in good faith with interested ACDBEs. Evidence of such negotiation includes the names, addresses and telephone numbers of ACDBEs that were considered; a description of the information provided regarding the opportunities selected for possible ACDBE participation; and evidence as to why agreement could not be reached for ACDBEs to perform the work.

NOTE: A concessionaire using good business judgment would consider a number of factors in negotiating with potential business partners or subcontractors, including ACDBEs, and would take a firm's price and capabilities as well as contract goals into consideration. However, the fact

that there may be some additional costs involved in finding and using ACDBEs is not in itself sufficient reason for a failure to meet the ACDBE Commitment, as long as such costs are reasonable. Concessionaires are not, however, required to accept higher quotes from ACDBEs if the price difference in comparison to non-ACDBEs is excessive or unreasonable.

5. Not rejecting ACDBEs as being unqualified without sound reasons based on a thorough investigation of their capabilities. The ACDBE's standing within its industry, membership in specific groups, organization or associations and political or social affiliation (for example union vs. non-union employee status) are not legitimate causes for rejection.

6. Making efforts to assist interested ACDBEs in obtaining bonding, lines of credit or insurance as required by the City or Tenant.

7. Making efforts to assist interested ACDBEs in obtaining necessary equipment, supplies, materials, or related assistance or services.

8. Effectively using the services of available minority/women community organizations and contractors' groups; local, state and federal minority/women business assistance offices; and other organizations as allowed on a case-by-case basis to provide assistance in the recruitment and placement of ACDBEs.

B. DOCUMENTATION

Whenever Tenant is required to demonstrate good faith efforts by Part 23 or these Special Conditions, Tenant must provide supporting documentation to the satisfaction of the Commissioner. This means documentation to show that Tenant took all necessary and reasonable steps which by their scope, intensity and appropriateness to the objective, could reasonably be expected to obtain compliance, even if not fully successful. The following types of documentation, as applicable to the situation, will be considered by the City in determining whether Tenant has made good faith efforts:

1. A listing of all ACDBE firms that were contacted that includes:

a. names, address and telephone numbers of ACDBE firms contacted;

b. date and time of contact;

c. method of contact (written, telephone, transmittal of facsimile documents, etc.);

d. name of the person contacted.

2. Copies of letters or any other evidence of mailing that substantiates outreach to

ACDBE vendors that include:

a. concession identification and location;

b. descriptions/classification/commodity of work, services or goods for which quotations were sought; and

c. date, time and location for submittal of bids or proposals.

3. Detailed statement which summarizes direct negotiations with appropriate ACDBE firms and indicates why negotiations were unsuccessful.

4. Affirmation that good faith efforts have been demonstrated by choosing opportunities likely to be performed by ACDBEs by not imposing any limiting conditions which were not mandatory for all potential bidders\proposers; or denying the benefits ordinarily conferred for the type of opportunity that was solicited.

5. Copies of proposed portions of the work, services or goods to be performed or provided by ACDBEs in order to increase the likelihood of ACDBE participation.

6. Evidence that Tenant negotiated in good faith with interested ACDBEs.

7. Evidence that Tenant did not reject ACDBEs as being unqualified without sound reasons based on a thorough investigation of their capabilities.

8. Evidence that Tenant made efforts to assist interested ACDBEs in obtaining bonding, lines of credit or insurance, as required by the City or the concessionaire.

9. Evidence that Tenant made efforts to assist interested ACDBEs in obtaining necessary equipment, supplies, materials or related assistance or services.

10. Evidence that Tenant has provided timely notice of the opportunity to at least 50 percent of the applicable ACDBEs listed in the Illinois UCP Directory. The City may contact the ACDBEs identified by Tenant for verification of such notification.

11. Evidence that ACDBE participation is excessively costly. ACDBE participation will be deemed excessively costly when the ACDBE bid or proposal exceeds the average price quoted by others by more than 15 percent. In order to

establish that a ACDBE's quote is excessively costly, Tenant must provide the following information:

a. A detailed statement of the opportunity identified for ACDBE participation for which Tenant asserts the ACDBE quote(s) were excessively costly (in excess of 15 percent higher).

b. A listing of all potential business partners or subcontractors contacted for a quotation on that opportunity.

c. Prices quoted by all such potential business partners or subcontractors for that opportunity.

d. Other documentation that demonstrates to the satisfaction of the City that the ACDBE quotes are excessively costly, even though not in excess of 15 percent higher than the average price quoted.

C. ADMINISTRATIVE RECONSIDERATION

1. For the purposes of this Agreement, the City has delegated the responsibility for making the determination regarding a Tenant's good faith efforts to the Department of Aviation. The determination shall be based upon the Department's review of the documentation that the Tenant has timely submitted. Within five days of being informed by the Department that Tenant has not documented sufficient good faith efforts, Tenant may request administrative reconsideration. The request must be made in writing to the following official:

Department of Aviation
10510 West Zemke Road
Chicago, Illinois 60666
Attention: Commissioner

NOTE: The Commissioner may not have played any role in the original determination that the Tenant did not make or timely document sufficient good faith efforts. The Commissioner may appoint a reconsideration officer, who did not play any role in the original determination, to act in his or her stead.

with copies to:

Department of Procurement Services
City Hall, Room 403
121 N. LaSalle Street
Chicago, Illinois 60602
Attention: Chief Procurement Officer

Department of Aviation
10510 West Zemke Road
Chicago, Illinois 60666
Attention: Deputy Commissioner for Concessions

Department of Law
30 North LaSalle Street, Room 900
Chicago, Illinois 60602
Attention: Deputy Corporation Counsel, Aviation

2. As part of this reconsideration, the Tenant will have the opportunity to provide written documentation or argument concerning the issue of whether it made adequate good faith efforts. The Tenant will have the opportunity to meet in person with the reconsideration officer to discuss whether it did so. The Department will send the Tenant a written decision on reconsideration, explaining the basis for finding that the Tenant did or did not make adequate good faith efforts.

VII. NON-COMPLIANCE AND DAMAGES

A. NON-COMPLIANCE GENERALLY

Tenant's failure to comply with these Special Conditions constitutes a material breach of the Agreement and entitles the City to declare an event of default. If Tenant fails to cure the default within the time allowed under the default provisions of the Agreement, the City may exercise those remedies provided for in the Agreement, at law or in equity, including termination of the Agreement. In addition to any remedies specified in the Agreement, at the City's option the term of this Agreement will become month-to-month until the City locates a new Tenant. At the City's option, any improvements added by Tenant must remain for the new tenant at no cost to the City or the new tenant.

B. NON-COMPLIANCE WITH ACDBE AGREEMENT

If Tenant has not complied with the requirements of an ACDBE agreement, the affected ACDBE may seek to recover from Tenant damages suffered by the ACDBEs as a result of such non-compliance. Such disputes may impact the quality of concessions at the City's airports and/or the ability of other airport tenants to solicit ACDBE participation. Therefore, Tenant consents to have any disputes between Tenant and affected ACDBEs resolved by binding arbitration before an independent arbitrator other than the City, with reasonable expenses, including attorneys' fees, being recoverable by the prevailing party in accordance with any applicable regulations. This provision is intended for the benefit of all ACDBEs affected by Tenant's failure to comply with ACDBE agreements and grants ACDBEs specific third party beneficiary rights. In cases deemed appropriate by the City, a dispute may lead to the withholding of sums that the City may owe Tenant until the City receives a copy of

the final arbitration decision, but in no event will Tenant be excused from making any payments due to the City during the pendency of a dispute. Noncompliance or non-cooperation with the City may affect continued eligibility to enter into future contracting arrangements with the City.

Exhibit K-2

TARGETS AND OPPORTUNITIES FOR M/WBE and ACDBE VENDORS

i. Target M/WBE and ACDBE Vendors for the Hotels
    1. Hyde Park Hospitality – F&B operator (ACDBE)
    2. Aztec Supply – Cleaning Products (ACDBE)
    3. Balton Corporation – Paper Products (ACDBE)
    4. Midwest Foods – Produce/Dry Goods/Meats (ACDBE)
    5. Edible Cuts – Produce/Dry Goods (ACDBE)
    6. McMahon Food Corporation – Dairy (ACDBE)
    7. Poppie's Dough – Baked Goods (WBE)
    8. Cristina Foods – Produce (ACDBE)

ii. The foregoing vendors are expected to participate in the Gross Receipts of the Hotel by approximately 26%.

iii. Additional Targeted M/WBE and ACDBE Vendor Opportunities:
    1. Manager proposes that the following additional vendor opportunities should be explored prior to the opening of the Hotels: (i) laundry, (ii) escalator service and repair, (iii) in-room amenities (soaps/shampoos), (iv) waste disposal, (v) elevator services and repair, (vi) window washing, (vii) copier leasing and repair, and (viii) pest control
    2. Manager also proposes that subcontracts be explored with spa, fitness and audio/visual departments or providers.

EXHIBIT L-1
MAP OF NON-COMPETITION AREA A

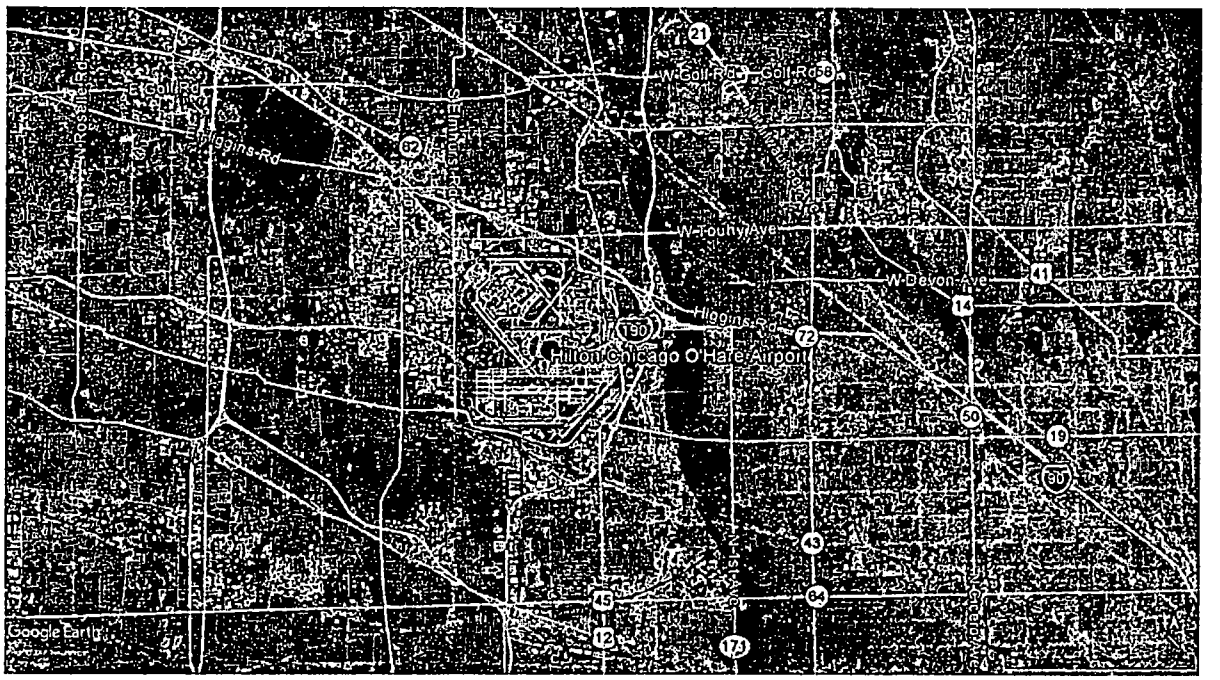


EXHIBIT L-2
MAP OF NON-COMPETITION AREA B

EXHIBIT B

CHICAGO O'HARE INTERNATIONAL AIRPORT

TECHNICAL SERVICES AGREEMENT

BETWEEN

THE CITY OF CHICAGO

AND

HILTON MANAGEMENT LLC

_____ ___, 20__

CHICAGO O'HARE INTERNATIONAL AIRPORT
TECHNICAL SERVICES AGREEMENT

TABLE OF CONTENTS

LIST OF EXHIBITS

TECHNICAL SERVICES AGREEMENT

This Technical Services Agreement (this "Agreement") is made and entered into as of the __ day of _____, 20__ (the "Effective Date"), between the **CITY OF CHICAGO**, a municipal corporation, home rule unit of local government organized and existing under Article VII, Sections 1 and 6(a), respectively, of the 1970 Constitution of the State of Illinois ("Owner" or the "City"), and **HILTON MANAGEMENT LLC**, a Delaware limited liability company ("Manager"). (Owner and Manager are sometimes referred to individually as a "Party" and collectively in this Agreement as the "Parties").

RECITALS

A. Owner holds the beneficial rights to the real property described in Exhibit A (the "Premises"), on which site Owner intends to (i) renovate the existing "Hilton" brand hotel more specifically described in Exhibit A (the "Existing Hotel"), and (ii) develop and build a new "Conrad" brand hotel as more specifically described in Exhibit A (the "New Hotel"). This Agreement relates to the Existing Hotel which is referred to herein as the "Hotel". The site on which the Hotel is located is referred to as the "Site".

B. The Owner issued a Request for Proposals on April 19, 2017 (the "RFP") for management of and technical services relating to the development of the New Hotel and renovation of the Existing Hotel. Manager responded to the RFP with its proposal dated May 23, 2017 ("Manager's Proposal"). Owner has evaluated all of the proposals submitted in response to its RFP, and has selected the Manager and the Possible New Hotel Manager to provide technical services in connection with the renovation of the Existing Hotel and the development of the New Hotel, respectively, pursuant to the terms and conditions set forth herein and in the Technical Services Agreement relating to the New Hotel that is being negotiated by the Owner and Possible New Hotel Manager. By action of the City Council of the City on _____, 2018 execution and delivery of this Agreement was authorized, but not directed.

C. Manager is experienced in the planning, designing, equipping, decorating and furnishing of hotels and related facilities and amenities, and in advising third parties in connection with such activities.

D. Owner desires to engage Manager as an independent contractor to assist Owner and its architects, engineers, designers and consultants in the planning, designing, equipping, decorating and furnishing of the Hotel, and Manager desires to perform such services, subject to the terms in this Agreement.

E. Owner and Manager have entered or intend to enter into a Management Agreement (the "Management Agreement") for the operation of the Hotel by Manager commencing January 1, 2019.

F. Owner and Manager have entered or intend to enter into a Pre-Opening and Related Services Agreement (the "Pre-Opening Services Agreement") for the provision of certain pre-opening services by Manager and the coordination and administration of certain procurement and consulting services with respect to the Hotel. The Management Agreement, the

Pre-Opening Services Agreement and this Agreement are sometimes collectively referred to herein as the "Hotel Agreements".

AGREEMENT

NOW, THEREFORE, in consideration of the recitals, promises and covenants set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree:

ARTICLE 1
DEFINITIONS AND EXHIBITS

1.1 **Definitions**. All capitalized terms used without definition in this Agreement shall have the meanings assigned to such terms in Exhibit B, and if not defined in Exhibit B shall have the meanings assigned to such terms in the Management Agreement.

1.2 **Exhibits**. The exhibits listed in the table of contents and attached hereto are incorporated in, and deemed to be an integral part of, this Agreement.

ARTICLE 2
TECHNICAL SERVICES

2.1 **Engagement of Manager**. Subject to the terms of this Agreement, Owner hereby engages Manager, and Manager hereby accepts such engagement by Owner, to provide the Technical Services as set forth in this Agreement.

2.2 **Technical Services**. During the Term of this Agreement, Manager shall perform (i) the technical services specified in this Agreement upon delivery by Owner to Manager of the various documents, materials and information required under this Agreement, including (a) advising Owner regarding the selection of its design and construction team, including advising Owner regarding the development of requests for proposals and evaluation of responses to such requests for proposals, and design, programming and operational aspects of the Hotel, including compliance with any applicable Brand Standards, (b) reviewing plans and specifications for the Hotel, (c) making recommendations to modify the plans and specifications to the extent Manager deems appropriate, and (d) approving plans and specifications when acceptable in accordance with the terms of this Agreement (collectively with those items set forth on Exhibit C, the "Technical Services"). Manager shall perform all services specified in this Agreement utilizing Manager's best skill and judgment and efficient business administration to further the interests of Owner, subject to the provisions of this Agreement. Manager further agrees at all times to perform the Technical Services in the best, most expeditious and most economical manner consistent with the interests of Owner, all subject to the provisions of this Agreement. Manager will devote such time and staff as may be required for the efficient and timely performance of all such Technical Services.

2.3 **Site Visits**. Manager shall (a) make regular visits to the Site as appropriate given the phase of construction and/or to the offices of Owner or its architects, engineers, designers, contractors, manufacturers or other Persons involved in the Hotel, and (b) maintain one or more representatives on-Site throughout the Construction of the Hotel, as Manager considers

necessary, appropriate or advisable to perform the Technical Services, or otherwise upon the reasonable request of Owner. Manager shall attend all design, development and construction meetings related to the development of the Hotel. Manager's representatives shall be given full access at all times upon Manager's request to all (i) financial, development and other information related to the Hotel and back-up materials, and (ii) the Site and the Construction in process.

2.4 **Inspections**. Owner hereby grants to Manager and its inspectors the right to enter the Site, without notice, at any time during the Construction, and to access any Persons providing goods or services for the Construction or such other work, in order to conduct an inspection of the Hotel to confirm its compliance with the Approved Plans and Specifications, the Design Guide and the Brand Standards. Manager shall promptly notify Owner of any noncompliance with the Design Guide or Brand Standards that Manager finds during any such inspection. Owner acknowledges that Manager may use Corporate Personnel or retain a third-party inspection service to perform any of Manager's inspections. Owner acknowledges and agrees that Manager's inspection will be limited to ensuring that the Construction of the Hotel complies with the Design Guide and Brand Standards, but shall not constitute an inspection of compliance with Approved Plans and Specifications nor compliance with Applicable Laws. In addition, upon substantial completion of the Construction, Manager shall participate in the inspection of the Hotel with Owner's consultants and contractors, and assist Owner's architects, engineers, contractors and consultants in the preparation of a "punch list" of deficiencies requiring correction or completion (the "Deficiency List") to complete the Construction.

2.5 **Use of Affiliates by Manager**. Owner acknowledges and agrees that in performing its obligations under this Agreement, Manager may from time to time use the services of one or more of its Affiliates; provided, however, that (a) Manager shall be responsible to Owner for its Affiliate's performance, and (b) Owner shall not pay more for the Affiliate's services and expenses than Manager would have been entitled to receive under this Agreement had Manager performed the services. If an Affiliate of Manager performs services for or provides goods to the Hotel, such goods or services shall be supplied at prices and on terms at least as favorable to the Hotel as generally available from third parties in arms-length transactions in the relevant market and consistent with terms made available to other Brand Hotels receiving such goods and services.

2.6 **Term**. This Agreement shall be for a period (the "Term") commencing on the Effective Date and expiring without notice upon the date that is six months after the Renovation Completion Date, unless terminated earlier in accordance with the terms of this Agreement.

ARTICLE 3
FEES AND EXPENSES

3.1 **Technical Services Fee**. Manager waives its fee for the Technical Services performed hereunder.

3.2 **Reimbursable Expenses**. Owner shall reimburse Manager for all Reimbursable Expenses incurred by Manager in accordance with this Article 3 and approved by Owner, to the extent Owner's approval is required hereunder.

3.3 **Accrual after End of Term**. Owner acknowledges that the Reimbursable Expenses may be incurred or accrued after the end of the Term of this Agreement, in accordance with this Agreement, and Owner agrees to pay any such Reimbursable Expenses, whether incurred or accrued prior to, during or after the Term in accordance with this Article 3.

3.4 **Payment of Fees and Expenses**.

3.4.1 Monthly Statements. Manager shall submit to Owner a monthly statement and payment request ("Monthly Statement") including (a) a statement of all Reimbursable Expenses incurred by Manager during the prior calendar month (accompanied by substantiation of such Reimbursable Expenses in a form acceptable to Owner), (b) a statement of all Reimbursable Expenses anticipated to be incurred with respect to the next calendar month (accompanied by such supporting information as Owner may request), and (c) a reconciliation of the amounts previously funded by Owner against the Reimbursable Expenses incurred or anticipated to be incurred in the next calendar month. Manager shall provide a final accounting and statement to Owner for all Reimbursable Expenses and any other outstanding amounts that are owed to Manager within 120 days after the Opening Date.

3.4.2 Due Dates. The Reimbursable Expenses shall be due 60 days after delivery to Owner of the Monthly Statements.

3.4.3 Place and Means of Payment. All fees and other amounts due to Manager or its Affiliates under this Agreement shall be paid to Manager in U.S. Dollars, in immediately available funds, at the location(s) specified by Manager from time to time.

3.4.4 Survival. The provisions of this Section 3.4 shall survive any expiration or termination of this Agreement.

ARTICLE 4
PLANS AND SPECIFICATIONS

4.1 **Delivery of Plans and Specifications to Manager**

4.1.1 Timelines for Delivery of Plans and Specifications. Owner shall provide the documents, materials and information to be submitted to Manager as set forth in Exhibit C, within the following time periods:

(a) Conceptual plans and specifications showing general layout and design shall be delivered to Manager no later than July 1, 2019;

(b) Preliminary plans and specifications showing general layout and design shall be delivered to Manager no later than January 1, 2020;

(c) Final plans and specifications showing general layout and design shall be delivered to Manager no later than July 1, 2020; and

(d) Plans, specifications, renderings and working drawings relating to the interior design and decoration, and other matters affecting the operating efficiency of the

Hotel and the selection of all FF&E and all operating equipment at various stages showing general layout and design shall be delivered to Manager periodically, when requested by Manager and as required in accordance with Section 4.2.

4.1.2 Extension of Timelines for Delivery. The dates set forth in Section 4.1.1 for the delivery of all plans, specifications and other documents and materials relating to the Hotel (collectively, the "Review Materials") may be extended as necessary by agreement of the parties, and shall be extended for a Force Majeure event in accordance with Section 13.12; provided, however, no such extension shall be granted unless Manager is provided with notice of such delay at least 14 days prior to the required due date (except for events which occur within the 14 day period prior to the due date, in which case, Owner shall notify Manager of any anticipated delay as soon as reasonably possible following such Force Majeure).

4.1.3 Method of Delivery. All Review Materials to be submitted to Manager for its approval under this Agreement (including Exhibit C) shall be sent to Manager in accordance with Section 13.8. Owner shall provide Manager with such numbers of copies as Manager may reasonably require, and shall provide photographs for all renderings and color boards included in the Review Materials. With the submission of all Review Materials (including all submissions by Owner or its contractors contemplated in Exhibit C), Owner shall use commercially reasonable efforts to bring to Manager's attention any inconsistencies between such Review Materials and the Design Guide and the Brand Standards.

4.1.4 Construction of Model Room. Owner shall construct one model hotel guest room for each typical King and Double/Queen room type and section of double loaded corridor, showing layout, design and FF&E for a standard hotel guest room consistent with the Design Guide and Brand Standards, and shall notify Manager when such model room is available to be reviewed and approved by Manager. To the extent any portion of the model room is disapproved by Manager, Owner shall redesign the model room, reselect FF&E, and reconstruct such model room in accordance with the comments provided by Manager and resubmit such model room for review and approval by Manager, until such time as a fully completed model room, approved by Manager, exists. Manager shall approve the model room if such model room is consistent with the Design Guide and Brand Standards and final plans and specifications for the Hotel.

4.2 **Review of Plans and Specifications.**

4.2.1 Owner shall provide at least five (5) Business Days' prior written notice to Manager stating the anticipated delivery date for each submission of Review Materials. Manager shall review the Review Materials to determine whether such Review Materials comply with the Design Guide and the Brand Standards. Manager shall either approve or reject the Review Materials submitted to Manager by providing notice to Owner within 15 Business Days after receipt by Manager of any Review Materials. If Manager rejects any Review Materials, Manager shall provide written comments and proposed corrections to Owner for re-submittal to Manager. The terms "approval", "approve" or "approved" when used in reference to Manager's review of any plans and specifications or items therein shall mean Manager's acceptance that the plans and specifications or items in question comply with the Design Guide and Brand

Standards, or are otherwise accepted by Manager. If Manager does not provide notice of approval or rejection within such 15 Business Day period, Owner shall deliver to Manager a second request for Manager's review and approval (the "Second Request"), which shall include in bold, capital letters the following statement: **"THIS IS A SECOND NOTICE FOR REVIEW AND APPROVAL BY MANAGER. FAILURE TO RESPOND TO THIS NOTICE WITHIN FIVE BUSINESS DAYS WILL RESULT IN THE DEEMED APPROVAL BY MANAGER OF THE MATERIALS SUBMITTED WITH THIS NOTICE."** If Manager does not respond to such Second Request within five Business Days after Manager's receipt of such Second Request, the items submitted shall be deemed approved. If any Review Materials or other items submitted to Manager are disapproved, Owner shall have the right to revise and modify such items to comply with objections of Manager; provided, however, that Owner shall resubmit such items to Manager for approval pursuant to this Section 4.2. If Owner makes any modifications or changes to any Review Materials or other items approved by Manager, Owner shall resubmit such items to Manager for approval in accordance with this Section 4.2.

4.3 **Changes to Plans and Specifications After Approval by Manager**. If Owner makes any changes to any Review Materials approved by Manager, such revised Review Materials shall be subject to Manager's re-approval in accordance with this Article 4.

4.4 **Compliance with Brand and Brand Standards**. Owner acknowledges and agrees that the Hotel will be deemed not to comply with the Design Guide and Brand Standards for the purposes of this Agreement and the Management Agreement, unless and until Manager approves the plans and specifications described in Exhibit C in accordance with Article 4, and the Hotel is Constructed in accordance with such Approved Plans and Specifications.

ARTICLE 5
DEVELOPMENT AND CONSTRUCTION OF THE HOTEL

5.1 **Owner's Development and Construction Team**.

Owner shall engage, at Owner's cost and expense, such reputable, qualified and first-class architects, contractors, engineers, decorators and other professionals, specialists and consultants as may be necessary or desirable to complete Construction of the Hotel as set forth in Exhibit D, including all aspects for the development, design, architecture, construction and furnishing of the Hotel as required under the Design Guide and Brand Standards. The plans and specifications for the Hotel shall be prepared by a duly licensed architect engaged by Owner, at Owner's expense, and in compliance with the Design Guide and Brand Standards, and the contractors engaged by Owner shall be responsible for supervision of the Construction of the Hotel. Upon Owner's request, Manager shall advise the Owner regarding development and contents of requests for proposals and the evaluation of responses to such requests for proposals for the engagement of such professionals.

5.2 **Commencement and Completion of the Hotel**.

5.2.1 Timeline for the Hotel. Owner shall use commercially reasonable efforts to (a) provide or obtain all financial and other resources necessary to complete the

development and Construction of the Hotel in accordance with this Agreement, (b) perform all work necessary to cause the Start of Construction to occur prior to January 1, 2021, with time being of the essence, and (c) perform all work necessary to cause the Renovation Completion Date to occur before January 1, 2023, with time being of the essence, all in accordance with the Approved Plans and Specifications, the Design Guide, the Brand Standards and all Applicable Laws.

5.2.2 Inspections. Owner, at its expense, shall take such actions as reasonably necessary to correct any undisputed deficiencies (as determined in accordance with the terms of this Agreement) detected during such an inspection of the Construction by Manager. In addition, if Manager and Owner permit the opening of the Hotel prior to completion of the items on the Deficiency List, Owner, at its expense, shall take such actions as necessary to complete all remaining items on the Deficiency List. Owner shall complete all remaining items on the Deficiency List promptly after such list has been finalized. This Section 5.2.2 shall survive the Opening Date.

5.2.3 Necessary Approvals. Owner, at its expense, shall obtain all Approvals necessary to perform the work required for the Construction prior to the Start of Construction, including construction permits, from all Governmental Authorities having jurisdiction over the Hotel and the business to be operated therein, and maintain all such Approvals throughout the Construction. Manager shall cooperate with Owner fully as necessary in securing such Approvals.

5.2.4 Certificate of Completion and Occupancy. Prior to the Renovation Completion Date, Owner shall obtain from its architect (and provide a copy to Manager) a certification that Construction of the Hotel has been completed in accordance with: (i) all Applicable Laws, and (ii) the Approved Plans and Specifications. Owner shall obtain and provide to Manager all certifications (copies or originals as appropriate) required by any Governmental Authority required to open the Hotel to the public and to use, occupy and operate the Hotel as contemplated by the Management Agreement (except those licenses, permits and certifications required by Manager as the employer and operator pursuant to the terms of the Management Agreement). Owner shall hold contractors and manufacturers responsible for all construction work and equipment, which shall be free of defects and shall include a minimum 1 year warranty from all contractors and manufacturers, commencing as of the Opening Date.

5.3 **Periodic Reports and Information**.

5.3.1 Progress Reports. Owner shall prepare and deliver (or cause its architects or contractors to prepare and deliver) to Manager monthly progress reports (the "Progress Reports"), in reasonable detail, outlining the progress of all major activities related to the Hotel, including the development, design, construction and furnishing of the Hotel and containing such other information as Owner and Manager may agree to include or as Manager may reasonably request. In addition, Owner also shall provide Manager with copies of any progress reports provided to Owner from its architects, engineers, contractors, consultants or any other Person involved with the Construction of the Hotel.

5.3.2 Cooperation from Owner's Team. In addition to the Progress Reports, Owner shall use commercially reasonable efforts to cause its architects, engineers, contractors, consultants and all other Persons involved with the Hotel to cooperate with Manager in performing its obligations under this Agreement, including providing promptly upon Manager's request all information and documentation reasonably requested by Manager in connection with Manager's performance of its obligations, and confirmation of Owner's compliance with the performance of its obligations under this Agreement.

ARTICLE 6
COVENANTS

6.1 Manager covenants and agrees that during the term of this Agreement, unless Owner otherwise consents in writing, Manager and its Affiliates shall be subject to the following:

6.1.1 Cooperation. Manager agrees to observe and perform its duties and obligations hereunder in a spirit of full cooperation with respect to any and all matters contemplated by this Agreement to achieve successful completion of Construction of the Hotel. Manager agrees in good faith, subject to the other terms and conditions of this Agreement, to:

(a) Commence promptly, pursue diligently, and complete in a timely manner whatever acts are required hereunder by Manager;

(b) Cooperate fully with Owner and its architects, engineers, contractors and consultants in the agreed review (and requested modifications wherever reasonably required) of the various phases of the Hotel's design and construction and not unreasonably withhold its consent or approval when such is required;

(c) Ensure that its duties under this Agreement are performed in the most efficient, effective, and economically practical method, all subject to the provisions of this Agreement.

(d) Provide a reasonably complete and accurate response to all written or verbal communications from Owner; and

(e) Keep Owner regularly and reasonably informed of the progress being made in Manager's obligations hereunder with respect to each phase of the Hotel.

6.1.2 Applicable Laws. In the performance of its duties under this Agreement, Manager shall comply, and to cause its agents and employees to comply, with all Applicable Laws, including, without limitation, those promulgated by the FAA, those set forth in Article 15 of the Management Agreement (excluding those set forth in Section 15.5), and the following subsections 6.1.2(a) through (m), to the extent applicable and required in connection with the performance of Manager's duties hereunder, except as elsewhere limited or excused, including without limitation Sections 10.1 and 10.2, and subject to the funds necessary for such compliance being available to Manager under this Agreement. Notwithstanding any conflicting provisions of this Agreement or the Management Agreement requiring Manager to incorporate certain provisions related to Laws into subcontracts or contracts (or requiring such

subcontractors and contractors to execute certificates or affidavits), Owner and Manager shall mutually determine which such provisions must be incorporated into subcontracts and contracts, what modifications may be required to adapt such provisions for the context of subcontracts and contracts, the specific types of subcontracts and contracts into which of those provisions must be incorporated and what certificates or affidavits such subcontractor and contractors may be required to execute. Notwithstanding the foregoing, or anything to the contrary in this Agreement or the Management Agreement, any obligation to incorporate or include such specific contract provisions shall not extend to contracts, agreements and other arrangements (i) on forms provided "system wide" to the Hotel and any of the other Brand Hotels, or (ii) that consist of insurance policies required to be provided by Manager hereunder.

(a) Non-Discrimination.

(I) *Federal Requirements*:

(a) Manager for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration of this Agreement, covenants and agrees with a covenant running with the land that: (i) no person on the grounds of race, color, or national origin will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination in the use of the Site or the Hotel; (ii) in the construction of any improvements on, over, or under the Site or the Hotels and the furnishing of services in the Hotel, no person on the grounds of race, color, or national origin will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination; (iii) Manager will use the Site and the Hotels in compliance with all other requirements imposed by or under 49 C.F.R. Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as those regulations may be amended and all other requirements imposed by or pursuant to the List of Pertinent Nondiscrimination Authorities (set forth below and in Appendix E of Appendix 4 of FAA Order 1400.11, Nondiscrimination in Federally-Assisted Programs at the Federal Aviation Administration), and as that List may be amended; and (iv) Manager shall manage the Hotels on a fair, equal, and non-discriminatory basis. In addition to complying with Title VI of the Civil Rights Act of 1964, Manager assures that it will comply and will cause its employees, agents and contractors to comply with all other pertinent statutes, including but not limited to 49 USC 47123, Executive Orders and the rules as are promulgated to assure that no person will, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefitting from federal assistance. In the event of breach of any of the above nondiscrimination covenants, City will have the right to terminate the Agreement and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said Agreement had never been made or issued.

(b) It is an unlawful practice for Manager to, and Manager must at no time: (i) fail or refuse to hire, or discharge, any individual or discriminate against the individual with respect to his or her compensation, or the terms, conditions, or privileges of his or her employment, because of the individual's race, creed, color, religion, sex, age, handicap or national origin; or (ii) limit, segregate, or classify its employees or applicants for employment in any way that would deprive any individual of employment opportunities or otherwise adversely affect his or her status as an employee, because of the individual's race, creed, color, religion, sex, age, handicap or national origin; or (iii) in the exercise of the privileges granted in this Agreement, discriminate or permit discrimination in any manner, including the use of the Site or the Hotel, against any person or group of persons because of race, creed, color, religion, national origin, age, handicap, sex or ancestry. Manager must post in conspicuous places to which the Hotel Employees or applicants for employment at the Hotel have access, notices setting forth the provisions of this non-discrimination clause.

(c) The Manager shall comply with The Civil Rights Act of 1964, 42, U.S.C. Sec. 2000 *et seq.* (1981), as amended, and to the extent required by the law, must undertake, implement and operate an affirmative action program in compliance with the rules and regulations of the Federal Equal Employment Opportunity Commission and the Office of Federal Contract Compliance, including 14 CFR Part 152, Subpart E. Attention is called to: Executive Order No. 11,246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. 2000(e) note, as amended by Executive Order No. 11,375 32 Fed. Reg. 14,303 (1967) and by Executive Order No. 12,086, 43 Fed. Reg. 46,501 (1978); the Age Discrimination Act, 43 U.S.C. Sec. 6101-6106 (1981); Age Discrimination in Employment Act, 29 U.S.C. Sec. 621-34; the Rehabilitation Act of 1973, 29 U.S.C. Sec. 793-794 (1981); the Americans with Disabilities Act, 42 U.S.C. Sec. 12101 *et seq.*; 41 C.F.R. Part 60 *et seq.* (1990) and 49 CFR Part 21, as amended (the "ADA"); and all other applicable federal statutes, regulations and other laws.

(d) The Manager agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision binds the Manager and subtier contractors from the bid solicitation period through the completion of the Agreement. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

(e) During the performance of this Agreement, the Manager for itself, its assignees, and successors in interest (hereinafter referred to in this subsection (E) as the "Manager") agrees as follows:

(i) **Compliance with Regulations**: The Manager (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

(ii) **Non-discrimination**. The Manager, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Manager will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

(iii) **Solicitations for Subcontracts, Including Procurements of Materials and Equipment**: In all solicitations, either by competitive bidding or negotiation made by the Manager for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Manager of the Manager's obligations under this Agreement and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

(iv) **Information and Reports**: The Manager will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to the Hotel's books, records, accounts, other sources of information, and Hotel facilities as may be determined by the City or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of Manager is in the exclusive possession of another who fails or refuses to furnish the information, the Manager will so certify to the City or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

(v) **Sanctions for Noncompliance**: In the event of a Manager's noncompliance with the Non-discrimination provisions of this Agreement, the City will impose such contract sanctions as

it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

a. Withholding payments to the Manager under the Agreement until the Manager complies; and/or

b. Cancelling, terminating or suspending an Agreement, in whole or in part.

(vi) **Incorporation of Provisions**: The Manager will include the provisions of paragraphs (i) through (vi) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The Manager will take action with respect to any subcontract or procurement as the City or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Manager becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Manager may request the City to enter into any litigation to protect the interests of the City. In addition, the Manager may request the United States to enter into the litigation to protect the interests of the United States.

(b) All other applicable federal, state, and local non-discrimination laws, codes, regulations, ordinances, rules, and orders, including without limitation those set forth in Section 15.1(a) of the Management Agreement;

(c) All applicable federal, state, and local equal employment opportunity laws, codes, regulations, ordinances, rules, and orders, including without limitation those set forth in Section 15.1(b) of the Management Agreement;

(d) All applicable federal, state, and local prevailing wage laws, codes, regulations, ordinances, rules, and orders;

(e) Section 2-92-320 of the Municipal Code of Chicago ("Code");

(f) Chapter 2-56 of the Code and to cooperate with the Office of Inspector General in any investigation or hearing;

(g) Chapter 2-156 of the Code, "Governmental Ethics," including but not limited to Section 2-156-120 of Chapter 2-156 of the Code;

(h) Section 2-92-380 of the Code;

(i) Antidumping provisions of the Code, including Sections, 7-28-390, 7-28-440; 11-4-1410; 11-4-1420; 11-4-1450 11-4-1530; 11-4-1550; and 11-4-1560

(j) 29 CFR Part 1910 – Safety and Health Regulations for Construction of the Williams-Steiger Occupational Safety and Health Act of 1970, 40 U.S.C. 333 et seq. ("OSHA");

(k) Illinois Public Mechanics' Lien Act, 770 ILCS 60/1 et seq.;

(l) Wage Payment and Collection Act, 820 ILCS 115/1 et seq;

(m) Mayoral Executive Order No. 2011-04 (Prohibition on Certain Contributions).

6.1.3 Copyright Waiver. Manager shall obtain a written waiver of all rights under Section 106A(a)(3) and Section 113(d) of the Copyright Act as necessary from any employees, contractors, subcontractors, or any artists retained by Manager in its name (as opposed to those retained by Owner) in the performance of its Technical Services hereunder.

6.1.4 Certification. Owner acknowledges that in connection with the Owner's approval of the Management Agreement, Manager has provided an EDS (as defined therein).

6.1.5 Intentionally Deleted.

6.1.6 Intentionally Deleted.

6.1.7 Affirmative Action Program. Manager will undertake an affirmative action program which sets forth all applicable Federal standards as required by 14 C.F.R. Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, religion, age, national origin, or sex be excluded from participating in any employment activities covered in 14 C.F.R. Part 152, Subpart E. Manager assures that, to the extent required by Applicable Law, no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by Subpart E. Manager will require its covered sub-organizations to provide assurances to Manager that they similarly will undertake an affirmative action program and that they will require assurances from their organizations, as required by 14 C.F.R., Part 152, Subpart E, to the same effect.

6.1.8 Reserved.

6.1.9 Federal Terrorist (No-Business) List. Manager represents and warrants that neither Manager nor any Affiliate is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which Owner may not do business under any applicable laws: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6.1.10 Ethics/Conflict of Interest. Manager covenants that, in the performance of this Agreement, no person having any conflicting interest will be assigned to perform any obligations or have access to any confidential information, if any, under this

Agreement. If Owner, by the Commissioner in her or his reasonable judgment, determines that any of Manager's obligations for others conflict with Manager's obligations under this Agreement, Manager must reassign any person(s) found to have conflicting interests or take other such action as is reasonably necessary to eliminate such conflict.

6.1.11 Airport Matters.

(a) Rules and Regulations. In its performance of its duties under this Agreement, Manager shall observe and obey all rules and regulations governing the conduct and operation of the Airport, if any, promulgated from time to time by Owner, county, state or federal authorities and, in particular, Manager agrees at all times to comply with any master security plan and procedures for the Airport as may be established by Owner from time to time. In emergency cases Owner shall deliver to Manager such emergency rules and regulations as promptly as practical.

(b) Other Legal Requirements. Manager acknowledges that this Agreement may involve the use of or access to space on, over or under real property acquired or improved under the Airport Improvement Program of the Federal Aviation Administration ("FAA"), and therefore involves activity which serves the public. Manager, for itself, and its respective successors in interest, and assigns, will agree that (i) no person on the grounds of race, creed, color, religion, age, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities; (ii) that no person on the grounds of race, creed, color, religion, age, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the construction of improvements on, over, or under such land and the furnishing of services thereon; and (iii) that in its performance of its duties under this Agreement, Manager shall use or access the Hotel in compliance with all other applicable requirements imposed by or pursuant to regulations of the U.S. Department of Transportation.

(c) Airport Agreements. This Agreement shall be and remain subject and subordinate to (a) the provisions of any existing or future agreements between Owner and the United States government, the FAA or other governmental authority, relative to the operation or maintenance of the Airport, the execution of which has been or will be required as a condition precedent to the granting of federal or other governmental funds, including, without limitation, any grant agreements, (b) any use agreement heretofore or hereafter executed by Owner with airlines operating at the Airport, (c) any ordinance or indenture, or both, adopted by City Council of Owner authorizing the issuance of notes, bonds or other obligations for the Airport and securing such obligations by a pledge of revenues or net revenues of the Airport and any ordinance or indenture supplemental thereto, which shall also include any master indenture and (d) any applicable airport minimum standards. The Manager shall not cause the City to violate any assurances made by the City to the federal government in connection with the granting of such federal funds.

(d) All of the drawings, plans, specifications, or other documentation (including the Plans and Specifications) to be delivered by Owner to Manager under this Agreement, and any other information or data, whether in hard copy or in electronic form (collectively, "Data"), prepared by or provided to Manager under this Agreement are confidential

and may constitute "Security Sensitive Information." Manager acknowledges that such Data may contain information vital to the security of the Airport and agrees that, except as specifically authorized herein or as may be required by law, such Data will be made available to its employees, Contractors, lenders and holders of equity interests in Manager, only on a need-to-know basis and must not be made available to any other individual or organization, except the Commissioner, without the written consent of the Commissioner. Manager is liable to Owner for costs reasonably incurred by Owner, the air carriers, the Federal Aviation Administration, or the Transportation Security Administration ("TSA") to undertake security measures required to be implemented due to Manager's failure to comply with this section, including without limitation the design and construction of improvements and posting of guards.

(e) Regulating the Airport; Airport Operation. Manager acknowledges that Owner reserves the right to regulate, police and further develop, improve, reconstruct, modify, or otherwise alter the Airport in Owner's sole discretion. Owner reserves the right, but shall not be obligated to Manager, to maintain and keep in repair all publicly owned facilities of the Airport. Owner shall not have any obligation to continue to operate the Airport or any part as an airport for passenger or freight air transportation or at any particular level of operation and may at any time limit or discontinue use of the Airport or any means of access to or within the Airport in whole or part.

(f) FAA Policy and Procedures Memorandum – Airport Division, Number 5190.6. In its performance of its duties under this Agreement, Manager covenants and agrees to comply with those portions of the FAA's Policy and Procedures Memorandum – Airport Division, Number 5190.6 applicable to Manager and the Hotel, as set forth in Exhibit I to the Management Agreement.

ARTICLE 7
CONFIDENTIALITY

7.1 **Confidential Information**. The Parties acknowledge that each Party will provide certain information to the other Party that is confidential (the "Confidential Information"), and that such Confidential Information is proprietary to such Party. Accordingly, during the Term and thereafter, the Parties (a) agree to maintain the confidentiality of all such Confidential Information and terms of this Agreement, and shall not disclose any such Confidential Information or the terms of this Agreement to any third Person (including the media), except to its shareholders, partners, trustees, beneficiaries, directors, officers, employees, agents, legal counsel, accountants, investors, lenders and other professionals and consultants, but only on a "need to know" basis in connection with the Hotel; and (b) shall make every effort to ensure that none of its shareholders, partners, members, trustees, beneficiaries, directors, officers, employees, agents or representatives use, disclose or copy any Confidential Information, disclose any terms of this Agreement or take any other actions that are otherwise prohibited under this Section 7.1. Notwithstanding the foregoing, the restrictions on the use and disclosure of Confidential Information shall not apply (i) to information or techniques which are or become generally known in the lodging industry (other than through a Party's disclosure), provided a Party obtains the prior written consent to such disclosure or use from the Party providing such Confidential Information, or (ii) to the extent such disclosure is required under Applicable Laws, including reporting requirements applicable to public companies. The Parties acknowledge that

the disclosure or unauthorized use of any Confidential Information will cause irreparable injury to the Party providing such Confidential Information, for which monetary damages would not provide an adequate remedy. This Section 7.1 shall survive the expiration or termination of this Agreement.

ARTICLE 8
ASSIGNMENTS

8.1 **Assignment by Manager**. Manager shall have the right to assign its rights and obligations under this Agreement to any Person to whom Manager is permitted to assign its rights and obligations under the Management Agreement, in accordance with the provisions of the Management Agreement.

8.2 **Assignment by Owner**. This Agreement and all of Owner's rights and all of Owner's duties hereunder are freely assignable by Owner to any Person to whom Owner is permitted to assign its rights and duties under the Management Agreement, in accordance with the Management Agreement.

ARTICLE 9
INSURANCE AND INDEMNIFICATION

9.1 **Insurance**.

9.1.1 Insurance Policies. Owner, at its expense, shall obtain and maintain the insurance policies required by the Brand Standards, which insurance policies shall be effective upon the Start of Construction. Manager, at Owner's expense, shall obtain and maintain the insurance policies set forth as Exhibit E. The insurance policies maintained by Manager shall be effective upon the date of this Agreement, or such later time as may be permitted by Owner. Any deductibles and self-insured retentions on referenced insurance coverages shall be reimbursed to Manager by Owner as a Reimbursable Expense; provided, however, that to the extent Manager self-insures for Management/Professional Liability Insurance required by this Agreement, Manager shall bear all risk of loss for any loss that would otherwise be covered by insurance. The costs of Manager-purchased insurance (including the application of deductibles and self-insured retentions) will be charged to Owner based on a share of the total cost paid by Manager and its Affiliates, such share to be charged to Owner using the same methodology or formula as used to charge to other owners participating in the relevant policy, which methodology or formula may be modified from time to time in Manager's reasonable discretion so as to charge the costs related to the provision of insurance on a fair and equitable basis considering the factors that Manager deems most relevant.

9.1.2 Evidence of Insurance. Manager (for insurance policies obtained through the third-party insurers) shall provide Owner with insurance certificates evidencing that the insurance policies comply with the requirements set forth in Exhibit E.

9.1.3 Insurance Coverage. Notwithstanding anything to the contrary in this Agreement, the Parties shall look first to the appropriate insurance coverages in effect pursuant to this Agreement prior to seeking indemnification under Section 9.2 in the event any claim or liability occurs as a result of injury to persons or damage to property, regardless of the cause of

such claim or liability; provided, however, if the insurance company denies coverage or reserves rights as to coverage, then the Indemnified Parties shall have the right to seek indemnification, without first looking to such insurance coverage.

9.2 **Indemnification**.

9.2.1 Indemnification by Owner. Subject to Sections 9.1.3 and 9.2.3, Owner shall defend, indemnify, and hold harmless Manager and its Affiliates, and their respective shareholders, trustees, beneficiaries, directors, officers, employees and agents, and the successors and assigns of each of the foregoing (collectively, the "Manager Indemnified Parties") for, from and against any and all Claims that any Manager Indemnified Parties may have alleged against them, incur, become responsible for or pay out for any reason related to this Agreement, or the design, construction, development or ownership of the Hotel, excluding Claims covered by Manager's indemnity provision pursuant to Section 9.2.2. To the extent the Owner fails or is unable to provide indemnification required hereby (for example, if such indemnities are not permitted by applicable Laws) and there is inadequate insurance in place to cover Owner's obligations under this Section 9.2.1, any such amounts constituting Claims shall be deemed to be Operating Expenses of the Hotel and paid prior to other payments described in Section 11(k) of the Management Agreement; provided, however, such amounts shall not be deemed Operating Expenses for the Hotel for purposes of calculating Hotel GOP or determining whether the Performance Test has been met.

9.2.2 Indemnification by Manager. Subject to Sections 9.1.3, 9.2.3, Manager shall defend, indemnify, and hold harmless Owner and its Affiliates, and their respective elected officials, commissioners, trustees, beneficiaries, directors, officers, employees and agents, and the successors and assigns of each of the foregoing (collectively, the "Owner Indemnified Parties") for, from and against any and all Claims that any Owner Indemnified Parties incur to the extent caused by Manager's Gross Negligence or Willful Misconduct.

9.2.3 Indemnification Procedures. Any Indemnified Party shall be entitled, upon written notice to the Indemnifying Party, to the timely appointment of counsel by the Indemnifying Party for the defense of any Claim, which counsel shall be subject to the reasonable approval of the Indemnified Party. If, in the Indemnified Party's judgment, a conflict of interest exists between the Indemnified Party and the Indemnifying Party at any time during the defense of the Indemnified Party, the Indemnified Party may appoint independent counsel of its choice for the defense of the Indemnified Party as to such Claim. In addition, regardless of whether the Indemnified Party has appointed counsel or selects independent counsel (a) the Indemnified Party shall have the right to participate in the defense of any Claim and approve any proposed settlement of such Claim, and (b) all reasonable costs and expenses (including attorneys' fees and costs) of the Indemnified Party shall be paid by the Indemnifying Party. If the Indemnifying Party fails to timely pay such costs and expenses (including attorneys' fees and costs), the Indemnified Party shall have the right, but not the obligation, to pay such amounts and be reimbursed by the Indemnifying Party for the same, together with interest thereon at 1.5% per month until paid in full. The Parties hereby acknowledge that it shall not be a defense to a demand for indemnity that less than all Claims asserted against the Indemnified Party are subject to indemnification.

9.2.4 Implied Indemnity. No Party or other person or entity shall be entitled to any equitable or implied indemnification at any time.

9.2.5 Survival. This Section 9.2 shall survive the expiration or any termination of this Agreement.

ARTICLE 10
DEFAULTS AND TERMINATIONS

10.1 **Event of Default**. The following actions or events shall constitute an "Event of Default" under this Agreement:

(a) The failure of a Party (the "Defaulting Party") to pay to the other Party (the "Non-Defaulting Party") any sum which has become due and payable hereunder within ten (10) days after receipt by the Defaulting Party of a notice from the Non-Defaulting Party specifying such failure;

(b) The failure by a Defaulting Party to perform, keep or fulfill any of the terms, covenants, undertakings, obligations or conditions set forth in this Agreement other than those referred to in Sections 10.1(a), (c) and (f), and the continuance of such failure for a period of fifteen (15) days after receipt by the Defaulting Party of written notice thereof from the Non-Defaulting Party specifying such failure; or, in the event such failure is of a nature that it cannot, with due diligence and in good faith, be cured within fifteen (15) days and such Defaulting Party fails to proceed promptly and with due diligence and in good faith to cure the same and thereafter to prosecute the curing of such failure with due diligence and in good faith (it being intended that, in connection with a failure not susceptible of being cured with diligence and in good faith within fifteen (15) days the time of such Defaulting Party within which to cure the same shall be extended for such period as may be reasonably necessary for the curing thereof with due diligence and in good faith, but in no event shall such cure period be in excess of one hundred twenty (120) days);

(c) The failure by Manager to perform, keep or fulfill any of the material terms, covenants, undertakings, obligations or conditions set forth in Article 6 of this Agreement, and the continuance of such failure for a period of thirty (30) days after written notice thereof from Owner specifying such failure; or, in the event such failure is of a nature that it cannot, with due diligence and in good faith, be cured within thirty (30) days and Manager fails to proceed promptly and with due diligence and in good faith to cure the same and thereafter to prosecute the curing of such failure with due diligence and in good faith (it being intended that, in connection with a failure not susceptible of being cured with diligence and in good faith within thirty (30) days the time of Manager within which to cure the same shall be extended for such period as may be reasonably necessary for the curing thereof with due diligence and in good faith, but in no event shall such cure period be in excess of one hundred twenty (120) days); it being understood and agreed that the foregoing described notice and cure shall apply notwithstanding anything to the contrary in this Agreement or the Management Agreement, provided, however, that if a provision of law or regulation applicable to the Owner (including, without limitation, federal grant assurances and other requirements of the FAA or United States Department of Transportation) expressly provides that there is no right to cure or a

shorter period to cure a particular Event of Default, there will be no right to cure or the cure period will be the shorter period, as provided by such law or regulation;

(d) The occurrence of any of the following events with respect to a Defaulting Party: (i) the institution by or against (and such proceeding is not dismissed within sixty (60) days) such Defaulting Party of any bankruptcy, reorganization, arrangement, insolvency or similar proceedings brought under any federal or state law providing for the relief of debtors; (ii) the admission by such Defaulting Party in writing of its inability to pay its debts as they become due; (iii) any assignment by such Defaulting Party for the benefit of its creditors; (iv) the appointment of a receiver for such Defaulting Party or for substantially all of its assets which appointment remains in effect for more than thirty (30) consecutive days; or (v) any involuntary liquidation or dissolution of such Defaulting Party by judicial or binding administrative order;

(e) The occurrence and continuation of an Event of Default by Owner or by the Manager under the Management Agreement; or

(f) The occurrence and continuation of an Event of Default by Owner or New Hotel Manager under the Technical Services Agreement being negotiated by Owner and New Hotel Manager for the New Hotel (if the Parties enter into the New Hotel Management Agreement and such Technical Services Agreement for the New Hotel related thereto).

10.2 **Remedies for Event of Default**.

(a) Subject to the terms of this Agreement, if any Event of Default shall have occurred, the Non-Defaulting Party shall have the right to (a) terminate this Agreement by providing notice to the Defaulting Party specifying a date, not earlier than five days or later than 30 days after providing such notice, and (b) exercise against the Defaulting Party any rights and remedies available to the Non-Defaulting Party under this Agreement or (subject to the provisions of this Agreement) at law or in equity.

(a) Notwithstanding Section 10.2(a) or anything to the contrary contained herein or in the other Hotel Agreements, Manager's liability hereunder shall be limited as follows:

(i) If an Event of Default by Manager does not arise from Manager's Negligence or Manager's Gross Negligence or Willful Misconduct, the Owner shall not be entitled to seek, recover or obtain any monetary damages from Manager or its Related Parties under this Agreement or the other Hotel Agreements, and in no event shall monetary damages be due or payable by Manager or its Related Parties.

(ii) With respect to Events of Default by Manager arising from Manager's Negligence (but not Manager's Gross Negligence or Willful Misconduct), Manager's cumulative liability under the Hotel Agreements shall be limited in the aggregate for all Events of Default under this Agreement and the other Hotel Agreements to the amount of actual damages incurred by Owner up to a maximum amount equal to the amount of Management Fees paid to Manager under the Management Agreement within the three (3) years preceding the date of notice of the applicable claim.

(b) To the extent an Event of Default arises from Manager's Gross Negligence or Willful Misconduct, Manager's liability shall be limited to the actual damages incurred by Owner, but the amount of such actual damages is not limited hereby.

10.3 **Cross-Termination with Other Hotel Agreements**. Notwithstanding anything to the contrary in this Agreement, if the Management Agreement or the Pre-Opening Services Agreement expires or is terminated in accordance with its terms (other than by expiration of the Pre-Opening Services Agreement at the end of its term), then this Agreement shall terminate on the effective date of such expiration or termination, with no further action by the Parties. The Parties shall retain any remedies hereunder and thereunder as a result of an event of default under any of the Hotel Agreements.

10.4 **Termination Due to Hotel Construction**. Notwithstanding anything to the contrary in this Agreement, in the event the Start of Construction has not occurred by January 1, 2021, then Manager shall have the right to terminate this Agreement.

10.5 **Actions To Be Taken on Termination**. The Parties shall take the following actions upon the expiration or termination of this Agreement:

10.5.1 Usage of Trademarks or Identification with Brand or Manager. Neither Owner nor any Person acting for or on behalf of Owner shall identify the Hotel in any manner as a Brand hotel, or otherwise associate itself or the Hotel with the Brand or Manager or its Affiliates. Owner shall take all steps reasonably requested by Manager to disassociate the Hotel and Owner from any such association, and within thirty days after such termination, return all Confidential Information to Manager.

10.5.2 Payments Due on Termination. Any amounts to be paid hereunder, including, without limitation, all Reimbursable Expenses and all other expenses incurred by Consultant prior to the date of any termination are payment obligations which shall survive termination of this Agreement.

10.5.3 Survival. This Section 10.5 shall survive the expiration or termination of this Agreement for any reason.

ARTICLE 11
JURISDICTION AND VENUE

11.1 **Submission to Jurisdiction**. Any action or proceeding against the Parties relating in any way to this Agreement may be brought and enforced in the federal or state courts in the State of Illinois in the County of Cook, and each of the Parties hereby irrevocably submits to the jurisdiction of such courts with regard to any such action or proceeding, and irrevocably waives, to the fullest extent permitted by applicable law, any objection it may have now or hereafter have to the laying of venue of any such action or proceeding in such courts and any claim that any such action or proceeding brought in any such court has been brought in an inconvenient forum. Service of process on Owner may be made, either by registered or certified mail addressed as provided for herein or by personal delivery, and the service of process on Manager may be made either by registered or certified mail addressed as provided for herein or by delivery to Manager's registered agent for service of process in the State of Illinois. If

Manager is presented with a request for documents by any administrative agency or with a subpoena duces tecum regarding any documents which may be in its possession by reason of this Agreement (other than routine ordinary course of business-related requests or subpoenas), Manager shall give prompt notice to the General Counsel of Owner at the address set forth herein. Owner may contest such process by any means available to it before such records or documents are submitted to a court or other third party; provided, however, that Manager shall not be obligated to withhold such delivery beyond that time as may be ordered by the court or administrative agency, unless the subpoena or request is quashed or the time to produce is otherwise extended.

11.2 **Claims and Disputes**. The dispute resolution provisions set forth in Section 32 of the Management Agreement are hereby, by this reference, incorporated in this Agreement and made applicable to the resolution of disputes arising under this Agreement.

11.3 **Limitation of Remedies**. The terms and provisions of Section 31.11 (Limitation of Remedies) of the Management Agreement are hereby incorporated herein by reference, *mutatis mutandis*, and shall have the same force and effect as if fully set forth herein.

11.4 **Survival and Severance**. The provisions of this Article 11 are severable from the other provisions of this Agreement and shall survive and not be merged into any termination or expiration of this Agreement or any judgment or award entered in connection with any dispute, regardless of whether such dispute arises before or after termination or expiration of this Agreement, and regardless of whether the related mediation, arbitration or litigation proceedings occur before or after termination or expiration of this Agreement. If any part of this Article 11 is held to be unenforceable, it shall be severed and shall not affect either the duties to mediate or arbitrate or any other part of this Article 11.

ARTICLE 12
REPRESENTATIONS AND WARRANTIES

12.1 **Owner's Representations and Warranties**. Owner represents and warrants to Manager as of the Effective Date that:

12.1.1 Owner is a municipal corporation and body politic existing under the laws of the State of Illinois, and has the full right, power and authority to execute, deliver and perform its obligations under this Agreement. All necessary action has been taken to approve the execution, delivery and performance of this Agreement by Owner. Each party executing and delivering this Agreement on behalf of Owner and all documents to be executed and delivered on behalf of Owner in regard to the consummation of the transactions contemplated hereby has due and proper authority to execute and deliver those documents. To the best of Owner's knowledge, the transactions contemplated by this Agreement are not restrained or prohibited by any injunction, order or judgment rendered by any court or other governmental agency of competent jurisdiction. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (i) conflict with or result in a breach of any other agreement or restriction to which Owner is a party or by which it is bound or (ii) to the best of Owner's knowledge, conflict with or result in the material breach or violation of any law, regulation, writ, injunction, or decree of any court or governmental body applicable to

Owner. This Agreement and all documents executed and delivered by Owner in connection herewith shall constitute valid and binding obligations of Owner, enforceable in accordance with their terms, except as may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally.

12.1.2 There is no pending nor, to the knowledge of Owner, has Owner received written notice threatening, any litigation, claim or administrative proceeding against Owner which would materially and adversely affect the ability of Owner to perform its obligations hereunder.

12.2 **Manager's Representations and Warranties**. Manager represents and warrants to Owner as of the Effective Date that:

12.2.1 Manager is duly organized and validly existing under the laws of the Delaware, is in good standing thereunder and under the laws of the State of Illinois, and has the full right, power and authority to execute, deliver and perform its obligations under this Agreement. All necessary corporate action has been taken to approve the execution, delivery and performance of this Agreement by Manager. Each party executing and delivering this Agreement on behalf of Manager and all documents to be executed and delivered on behalf of Manager in regard to the consummation of the transactions contemplated hereby has due and proper authority to execute and deliver those documents. To the best of Manager's knowledge, the transactions contemplated by this Agreement are not restrained or prohibited by any injunction, order or judgment rendered by any court or other governmental agency of competent jurisdiction.

12.2.2 Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (i) conflict with or result in a breach of Manager's corporate bylaws, articles of incorporation or any agreement or restriction to which Manager is a party or by which it is bound or (ii) to the best of Manager's knowledge, conflict with or result in the material breach or violation of any law, regulation, writ, injunction, or decree of any court or governmental body applicable to Manager. This Agreement and all documents executed and delivered by Manager in connection herewith shall constitute valid and binding obligations of Manager, enforceable in accordance with their terms, except as may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally.

12.2.3 There is no pending nor, to the knowledge of Manager, has Manager received written notice threatening, any litigation, claim, or administrative proceeding against Manager or any Affiliate of Manager, which would materially and adversely affect the ability of Manager to perform its obligations hereunder.

12.2.4 As of the date hereof, Manager or its Affiliates operate or franchise all Brand Hotels in the United States.

12.3 **Manager's Acknowledgments**. Manager acknowledges that no member of the governing body of Owner or other unit of government and no other officer, employee or agent of Owner or other unit of government who exercises any functions or responsibilities in connection

with this Agreement is permitted to have any personal interest, direct or indirect, in this Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of Owner or Owner employee is allowed to be admitted to any share or part of this Agreement or to any financial benefit to arise from it.

12.4 **OWNER'S ACKNOWLEDGEMENTS**. OWNER ACKNOWLEDGES AND CONFIRMS TO MANAGER THAT MANAGER HAS NOT MADE ANY PROMISES, REPRESENTATIONS, WARRANTIES OR GUARANTIES OF ANY KIND WHATSOEVER TO OWNER, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, AND NO PERSON IS AUTHORIZED TO MAKE ANY PROMISES, REPRESENTATIONS, WARRANTIES OR GUARANTIES ON BEHALF OF MANAGER, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT.

ARTICLE 13
GENERAL PROVISIONS

13.1 **Governing Law**. This Agreement shall be construed under the laws of the State of Illinois, without regard to any conflict of law principles.

13.2 **Miscellaneous Instruments**. Each Party shall further execute and deliver all such other appropriate supplemental agreements and other instruments and take such other action as may be necessary to make this Agreement fully and legally effective, binding and enforceable as between the Parties hereto as the other Party may reasonably request. Neither Party shall record this Agreement or any memorandum thereof.

13.3 **Estoppel Certificates**. Upon written request of either Party, the other Party shall, within thirty (30) days of such request, deliver to the requesting Party a statement certifying (a) that this Agreement is in full force and effect: (b) that the requesting Party has not breached its obligations hereunder (or, if such is not the case, that the requesting Party has breached its obligations and stating the nature of the breach and the date on which the certifying Party delivered notice of such alleged breach to the requesting Party); (c) the Effective Date; and (d) such other information as the requesting Party reasonably shall request.

13.4 **Construction of this Agreement**. The Parties intend that the following principles (and no others not consistent with them) be applied in construing and interpreting this Agreement:

13.4.1 No Further Obligations. Manager is not obligated, for any reason, to do any act or to provide anything to Owner, except as expressly provided in this Agreement.

13.4.2 Claims Limited to Contract. Neither Party shall assert against the other Party any contractual claim arising out of this Agreement, unless the claim is based upon the express terms of this Agreement and does not seek to vary, and is not in conflict with, those express terms.

13.4.3 Presumption Against a Party. The terms and provisions of this Agreement shall not be construed against or in favor of a Party hereto merely because such Party is the Manager hereunder or such Party or its counsel is the drafter of this Agreement.

13.4.4 Severability. The invalidity or unenforceability of any particular provision, or part of any provision, of this Agreement shall not affect the other provisions or parts hereof and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions or parts were omitted.

13.4.5 Certain Words and Phrases. All words in this Agreement shall be deemed to include any number or gender as the context or sense of this Agreement requires. The words "will," "shall," and "must" in this Agreement indicate a mandatory obligation. The use of the words "include," "includes," and "including" followed by one or more examples is intended to be illustrative and is not a limitation on the scope of the description or term for which the examples are provided. All dollar amounts set forth in this Agreement are stated in U.S. dollars, unless otherwise specified. The words "day" and "days" refer to calendar days unless otherwise stated. The words "month" and "months" refer to calendar months unless otherwise stated. The words "hereof", "hereto" and "herein" refer to this Agreement, and are not limited to the article, section, paragraph or clause in which such words are used.

13.4.6 Headings. In this Agreement, any reference to a section or subsection is a reference to a section or subsection of this Agreement, unless otherwise specified. The table of contents and any section and subsection headings are for convenience of reference only and in no way define, limit, describe or affect the scope or intent of any part of this Agreement.

13.4.7 Entire Agreement. The Recitals set forth at the beginning of this Agreement and the Exhibits attached to this Agreement are hereby incorporated in and made a part of this Agreement. This Agreement and the Management Agreement contain the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings with respect thereto. No other agreements, representations, warranties or other matters, whether oral or written, will be deemed to bind the Parties hereto with respect to the subject matter hereof.

13.4.8 Third-Party Beneficiary. This Agreement shall not be construed as giving any person, other than the Parties hereto and their successors and permitted assigns, any legal or equitable right, remedy or claim under or in respect of this Agreement or any of the provisions herein contained, this Agreement and all provisions and conditions hereof being intended to be, and being, for the sole and exclusive benefit of such Parties and their successors and permitted assigns and for the benefit of no other person or entity.

13.4.9 Time of the Essence. Time is of the essence for all purposes of this Agreement.

13.4.10 Remedies Cumulative. Except as otherwise expressly provided in this Agreement, the remedies provided in this Agreement are cumulative and not exclusive of the remedies provided by Applicable Law, and a Party's exercise of any one or more remedies for any default shall not preclude the Party from exercising any other remedies at any other time for the same default.

13.4.11 Written Amendments. This Agreement shall not be altered, modified or amended in whole or in part, except in a writing executed by each of the Parties hereto.

13.4.12 Survival. Notwithstanding the termination of the Term or Manager's performance of its obligations in accordance with this Agreement, all terms, provisions and obligations of either Party contained herein, which in order to give them effect and accomplish their intent and purpose, need to survive such termination shall survive and continue until they have been fully satisfied or performed.

13.5 **Limitation of Liability**. Notwithstanding anything herein to the contrary, Owner's liability under this Agreement shall be limited solely to (i) its interest in the Hotel, including the Improvements, the Site thereof and amounts available from Gross Receipts and the Hotel Accounts, and including proceeds available from insurance policies carried pursuant to Section 9.1.1 of this Agreement and pursuant to Section 9 of the Management Agreement, to the extent available for such purpose, and (ii) its interest in the New Hotel (but only in the event the Parties enter into the Possible New Hotel Management Agreement), including the Improvements, the Site thereof and amounts available from Gross Receipts and the Hotel Accounts (as such terms are to be defined in the Possible New Hotel Management Agreement), and including proceeds available from insurance policies carried pursuant to the Possible New Hotel Management Agreement and the Technical Services Agreement for the New Hotel related thereto, to the extent available for such purpose (collectively, the "Owner Collateral"), and Manager shall not seek a personal judgment against Owner (except to the extent necessary to realize against the Owner Collateral) or seek to obtain a lien, levy, attachment or other charge upon any other properties or assets of Owner to enforce any claim or award for the default by Owner of its representations, warranties, covenants or other undertakings under this Agreement or the Management Agreement, except as otherwise set forth in the Management Agreement and except for Owner's obligation to pay Manager upon a termination as set forth in Section 10.5.2. No officer, director, employee or agent of Owner or Manager or its Affiliates, nor any of their respective heirs, administrators, executors, personal representatives, successors and assigns, shall have any personal liability or other personal obligation to with respect to any payment, performance or observance of any amount, obligation, or liability to be paid, performed or observed under this Agreement or any of the representations, warranties, covenants, indemnifications or other undertakings of Owner or Manager (as applicable) hereunder. Neither Manager nor its Affiliates shall seek to obtain a money judgment against any officer, director, employee or agent of Owner, or against any of their respective heirs, administrators, executors, personal representatives, successors or assigns. This Section 13.5 shall survive the expiration or any termination of this Agreement. The limitations set forth in this Section 13.5 shall not be applicable in the event Manager is attempting to satisfy a judgment resulting from a claim against Owner that Manager has proven, in a court of competent jurisdiction, resulted from fraud or willful misconduct of Owner.

13.6 **LIMITATION ON MANAGER'S DUTIES AND OBLIGATIONS**. OWNER ACKNOWLEDGES AND AGREES THAT:

13.6.1 NATURE AND SCOPE OF TECHNICAL SERVICES. ANY (A) ADVICE, ASSISTANCE, RECOMMENDATION OR DIRECTION PROVIDED BY MANAGER WITH RESPECT TO THE DEVELOPMENT, DESIGN, CONSTRUCTION, EQUIPPING, FURNISHING, OR DECORATION OF THE HOTEL, (B) REVIEW AND APPROVAL OF ANY CONCEPTUAL, PRELIMINARY OR FINAL PLANS AND SPECIFICATIONS FOR THE HOTEL, (C) PERIODIC REVIEW OR INSPECTION OF THE

13.7 **Waivers**. Except as set forth in Section 11.4 of this Agreement, a failure by either Party to take any action with respect to any default or violation by the other of any of the terms, covenants, or conditions of this Agreement shall not in any respect limit, prejudice, diminish, or constitute a waiver of any rights of such Party to act with respect to any prior, contemporaneous, or subsequent violation or default or with respect to any continuation or repetition of the original violation or default.

13.8 **Notices**. Any notices or other communications pertaining to this Agreement must be in writing and are deemed to have been given by a party if sent by nationally recognized commercial overnight courier or registered or certified mail, return receipt requested, postage prepaid and addressed to the other party. Notices are deemed given on the date of receipt if by personal service, or one (1) day after deposit with a nationally recognized commercial overnight courier, three (3) days after deposit in the U.S. mails sent by certified mail, return receipt requested, postage prepaid, or otherwise upon refusal of receipt. Unless otherwise directed by Manager in writing, all notices or communications from City to Manager will be sent to Manager's notice address as set forth in this Agreement. All notices or communications from Manager to the City must be addressed to:

If to Manager:	c/o Hilton Domestic Operating Company Inc. 7930 Jones Branch Drive McLean, VA 22102 Attention: General Counsel
With a copy, which shall not constitute notice, to:	c/o Hilton Domestic Operating Company Inc. 755 Crossover Lane Memphis, TN 38117 Attention: Andy Albonetti
If to Owner:	City of Chicago Office of Chief Financial Officer Room 700 121 North LaSalle Street Chicago, Illinois 60602 Attention: Chief Financial Officer
With a copy, which shall not constitute notice, to:	City of Chicago Department of Aviation 10510 West Zemke Road Chicago, Illinois 60666 Attention: Commissioner of Department of Aviation and City of Chicago Department of Law

30 North LaSalle Street
Suite 1400
Chicago, Illinois 606020
Attention: Deputy Corporation Counsel,
Aviation, Environmental, Regulatory and
Contracts Division

Either Party hereto may change the address for notices hereunder by giving notice of such change to the other Party hereto in the manner hereinabove provided. If requested by Owner and if Manager is given the name and address of any mortgagee, trustee or bondholder, it will give copies of all notices given to Owner to such persons, in the manner set forth in this Section 13.8.

13.9 **Owner's Representative**. Owner, for itself and all of its principals, shall designate an individual to act as representative for Owner and its principals ("Owner's Representative"), and Manager shall have the right to rely on all actions by, and communications with, Owner's Representative as binding on Owner and its principals. Owner shall provide to Manager the name, address, telephone and fax numbers, email address and other relevant contact information for the Owner's Representative as of the Effective Date and within 10 days of any change thereto.

13.10 **Further Assurances**. Owner and Manager shall do and cause to be done all acts, and execute and deliver all documents and instruments, reasonably necessary for each of them to perform their respective obligations under, and to give effect to the transactions contemplated by, this Agreement.

13.11 **Relationship of the Parties**. The Parties acknowledge and agree that (a) the relationship between them under this Agreement shall be that of an independent contractor relationship, (b) they are not principal and agent, joint venturers, partners or joint owners with respect to the Hotel, and (c) nothing in this Agreement shall be construed as creating an agency, partnership, joint venture or similar relationship between the Parties.

13.12 **Force Majeure**. In the event of a Force Majeure, the obligations of the Parties and the time period for the performance of such obligations (other than an obligation to pay any amount hereunder) shall be extended for each day that such Party is prevented, hindered or delayed in such performance during the period of such Force Majeure, except as expressly provided otherwise in this Agreement.

13.13 **Counterparts; Facsimile and Electronic Execution**. This Agreement may be executed in any number of counterparts which, taken together, shall constitute one and the same agreement. This Agreement shall be effective when it has been executed by each Party and delivered to all Parties. To evidence the fact that it has executed this Agreement, a Party may send a copy of its executed counterpart to the other Party by facsimile or electronic transmission. Such Party shall be deemed to have executed and delivered this Agreement on the date it sent such facsimile or electronic transmission. In such event, such Party shall forthwith deliver to the other Party an original counterpart of this Agreement executed by such Party.

13.14 **Illinois Freedom of Information Act**.

13.14.1 In connection with this Agreement, Manager will deliver to Owner certain information and materials which contain Manager's proprietary, privileged and/or confidential information (the "Delivered Materials"). In addition, certain of the terms of this Agreement contain proprietary, privileged and/or confidential information. Disclosure of the Delivered Materials or such terms of this Agreement would cause competitive harm to Manager.

13.14.2 To the extent that the Delivered Materials or the terms of this Agreement constitute "trade secrets" or "commercial or financial information" under the Illinois Freedom of Information Act (5 ILCS 140), as amended ("IL FOIA") or any similar applicable law or regulation, then such Delivered Materials and such terms of this Agreement shall be maintained by Owner as confidential, and Owner will not disclose such information to any Persons other than the attorneys, accountants, financial advisors, consultants, bond underwriters or insurers, rating agencies, auditors and employees of Owner (the "ORD Persons"). Owner agrees to inform the ORD Persons that the Delivered Materials and the terms of this Agreement are subject to the provisions of this Section and to use good faith efforts to ensure the ORD Persons treat the Delivered Materials and the terms of this Agreement confidentially and in accordance this Section.

13.14.3 If any Person files a request under IL FOIA or any similar applicable law for any Delivered Materials or the terms of this Agreement or the Management Agreement ("Requested Information"), Owner will promptly, and in any event not more than three (3) Business days following receipt of the request, notify Manager of the request and allow Manager a period of at least five Business days (the "Manager Review Period") within which to object to Owner, and any other relevant judicial or administrative body, to the disclosure of any of the Requested Information. If, following receipt of Manager's objection to the release of the Requested Information (or expiration of the Manager Review Period), Owner reasonably determines that the Requested Information is exempt from disclosure pursuant to IL FOIA or any similar applicable law or regulation, Owner will promptly, and in any event, within the time limits mandated under IL FOIA, assert such exemption from disclosure and decline to provide such Requested Information. If, following receipt of Manager's objection to the release of the Requested Information (or expiration of the Manager Review Period), Owner reasonably determines that any of the Requested Information is not exempt from disclosure pursuant to IL FOIA or any similar applicable law or regulation, Owner will promptly notify Manager of such determination, and will refrain from making such disclosure for not less than five (5) Business days following notice to Manager in order to afford Manager an opportunity to seek an injunction or other appropriate remedy if Manager believes that Owner's determination is erroneous. In no event, however, will Owner be obligated to withhold delivery beyond the time allowed for such response by IL FOIA, unless the request is quashed or the time to produce is otherwise extended.

Signatures on the following page.

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement as of the Effective Date.

OWNER:

CITY OF CHICAGO, a municipal corporation, home rule unit of local government and political subdivision of the State of Illinois

By:_____

Name:_____

Title:_____

MANAGER:

HILTON MANAGEMENT LLC, a Delaware limited liability company

By: Hilton Domestic Operating Company Inc., as "Operator"

By:_____

Name:_____

Title:_____

EXHIBIT A TO TECHNICAL SERVICES AGREEMENT

CONCEPTUAL DESCRIPTION OF PROJECT

1. Address and Description of Premises.

Existing Hilton Chicago O'Hare Airport Hotel located at O'Hare International Airport and New Conrad Chicago O'Hare Airport Hotel to be constructed adjacent to Terminal 5 at O'Hare International Airport

2. Components of Existing Hotel. The Existing Hotel consists of the following components:

Total Guest Rooms	860
- Standard Rooms	826
- Suites	34
Meeting Space	44,000 square feet
Total Floors	11
Total Parking Spaces	None
Food & Beverage Facilities	10,300 square feet
Other Facilities & Amenities	2,000 square foot gym and spa, and any other additional facilities and amenities required by the Brand Standards, including back of house and administrative areas

3. Components of New Hotel. The New Hotel consists of the following components:

Total Guest Rooms	Up to 400
- Standard Rooms	Up to 360
- Suites	Up to 40
Meeting Space	Up to 25,000-35,000 square feet
Total Floors	6
Total Parking Spaces	None

Food & Beverage Facilities	5,500 square feet
Other Facilities & Amenities	Up to 12,000 square foot gym and spa, and any other additional facilities and amenities required by the Brand Standards, including back of house and administrative areas

EXHIBIT B TO TECHNICAL SERVICES AGREEMENT

DEFINITIONS

As used throughout this Agreement and the attached Exhibits and Schedules, the following terms shall have the respective meanings set forth below:

Affiliate – any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person. For purposes of this definition, the term "control" (including the terms "controlling," "controlled by" and "under common control with") of a Person means the possession, directly or indirectly, of the power: (i) to vote fifty percent (50%) or more of the voting stock or equity interests of such Person; or (ii) to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting stock or equity interests, by contract or otherwise.

Agreement – this Technical Services Agreement between Owner and Manager, including all Exhibits thereto, and all amendments and modifications thereto entered into between Owner and Manager.

Applicable Law – all (a) statutes, laws, rules, regulations, ordinances, codes or other legal requirements of any federal, state or local governmental authority, board of fire underwriters and similar quasi-Governmental Authority, including any legal requirements under any Approvals, and (b) judgments, injunctions, orders or other similar requirements of any court, administrative agency or other legal adjudicatory authority, in effect at the time in question and in each case to the extent the Hotel or Person in question are subject to the same. Without limiting the generality of the foregoing, references to Applicable Law shall include any of the matters described in clause (a) or (b) above relating to employees, zoning, building, health, safety and environmental matters and accessibility of public facilities.

Approvals – any approvals that are required by any and all Governmental Authorities having jurisdiction over the renovation and operation of the Hotel or the performance of Owner's or Manager's obligations under this Agreement.

Approved Plans and Specifications – the final plans and specifications as approved by Manager in accordance with Article 4.

Brand – the "Hilton" brand name, as that name is used to identify the chain of hotels operated under the written specifications, standards and requirements issued by Manager or its Affiliates for hotels operating under the Brand.

Brand Hotels – as defined in the Management Agreement.

Brand Standards – those certain guidelines made available to Owner or its counsel, which describe, among other things, certain of the criteria, standards and requirements of Manager and its Affiliates for the design, development, construction, renovation, furnishing, fixturing, equipping and completion of the Hotel as a Brand Hotel, and which include, without limitation, the Design Guide.

Budget – as defined in Section 9 of Exhibit C.

Business Day – any day other than a Saturday, a Sunday or a day on which governmental entities or political subdivisions thereof, including, without limitation, Owner, are authorized or obligated by law or executive order to remain closed.

Claims – claims, demands, suits, criminal or civil actions or similar proceedings that might be alleged by an unaffiliated third party (including enforcement proceedings by any Governmental Authority) against any Indemnified Party, and all liabilities, damages, fines, penalties, costs or expenses (including reasonable attorney's fees and expenses and other reasonable costs for defense, settlement and appeal) that any Indemnified Party might incur, become responsible for, or pay out to any unaffiliated third party in connection with such matters.

Code – as defined in Section 6.1.2(e).

Confidential Information – information relating to a Party's business that derives value, actual or potential, from not being generally known to others, including any documents and information specifically designated by such Party orally or in writing as confidential or by its nature would reasonably be understood to be confidential or proprietary.

Construction – all aspects of renovating the Existing Hotel, including the removal of existing improvements, grading, constructing, fixturing, equipping and finishing the improvements, landscaping and all other similar work to necessary to renovate the Existing Hotel as a Brand Hotel in compliance with the Management Agreement (including any work to be completed after such renovation as required under the Management Agreement).

Corporate Personnel – any personnel from the corporate or divisional offices of Manager or its Affiliates who perform activities in connection with the Technical Services provided by Manager under this Agreement.

Data – as defined in Section 6.1.11(d)

Defaulting Party – as defined in Section 10.1(a).

Deficiency List – as defined in Section 2.4.

Delivered Materials – as defined in Section 13.14.1.

Design Guide – the Design and Construction Standards for hotels or projects operated under the Brand as then in effect on the date which is thirty (30) days prior to the awarding of a general contract for the Construction of the Hotel.

Effective Date – the date set forth in the preamble to this Agreement.

Entity – a partnership, a corporation, a limited liability company, a Governmental Authority, a trust, an unincorporated organization or any other legal entity of any kind.

Event of Default – as defined in Section 10.1.

Existing Hotel – as defined in Recital A.

FAA – as defined in Section 6.1.11(b).

FF&E – as defined in the Management Agreement.

Fire Safety Guidelines – as defined in Section 4(a)(ii) of Exhibit C.

Force Majeure – any one or more events or circumstances beyond the reasonable control of the Party whose performance is affected thereby that, alone or in combination, adversely and materially affects the provision of the services under this Agreement whether or not such events or circumstances occur geographically in a location remote from the Hotel, including, without limitation, casualties, war, invasion, insurrection, acts of terrorism, sabotage, failure of transportation, outbreak of disease, inability to procure or general shortage of labor, equipment, facilities, materials or supplies in the open market, actions of labor unions, and governmental actions (but excluding (i) causes which can be controlled by the reasonable expenditure of money in accordance with usual business practices, (ii) any conditions precipitated by Manager, and (iii) any conditions precipitated by Owner).

Governmental Authority – any government or political subdivision, or an agency or instrumentality thereof.

Hotel – as defined in Recital A.

Hotel Facilities List – as defined in Section 1(a) of Exhibit C.

Hotel Space Allocation – as defined in Section 1(a) of Exhibit C.

IL FOIA – as defined in Section 13.14.2.

Indemnified Party – any of the Manager Indemnified Parties or Owner Indemnified Parties who are entitled to receive indemnification pursuant to this Agreement.

Indemnifying Party – any Party obligated to indemnify an Indemnified Party pursuant to this Agreement.

Individual – a natural person, whether acting for himself or herself, or in a representative capacity.

Management Agreement – as defined in Recital E.

Manager – as defined in the introductory paragraph.

Manager Indemnified Parties – as defined in Section 9.2.1.

Manager Review Period – as defined in Section 13.14.3.

Manager's Gross Negligence or Willful Misconduct – any gross negligence, willful misconduct, or fraud committed by Manager or its Affiliates, or any Corporate Personnel, in the performance of Manager's duties under this Agreement; provided, however, that no settlement by either Party in good faith of any Claims (including Claims by Corporate Personnel) shall be deemed to create any presumption that the acts or omissions giving rise to such Claims constitute Manager's Gross Negligence or Willful Misconduct.

Manager's Negligence – any negligence committed by Manager or its Affiliates, or any Corporate Personnel, in the performance of Manager's duties under this Agreement; provided, however, that no settlement by either Party in good faith of any Claims (including Claims by Corporate Personnel) shall be deemed to create any presumption that the acts or omissions giving rise to such Claims constitute Manager's Negligence.

Monthly Statements – as defined in Section 3.4.1.

New Hotel – as defined in Recital A.

Non-Defaulting Party – as defined in Section 10.1(a).

Operating Equipment – non-consumable items used in, or held in storage for use in, the operation of the Hotel, including all china, glassware, linens, silverware, uniforms and other similar items, but not including FF&E.

Operating Supplies – consumable items used in, or held in storage for use in, the operation of the Hotel, including food and beverages, guest amenities, fuel, cleaning materials, printed materials, and other similar items.

ORD – Chicago O'Hare International Airport.

ORD Persons – as defined in Section 13.14.2.

OSHA – as defined in Section 6.1.2(j).

Out-of-Pocket Expenses – the reasonable out-of-pocket costs (with no mark up or profit to Manager) incurred by Manager or its Affiliates in performing its services under this Agreement, including economy air and ground transportation, meals, lodging, taxis, document reproduction, printing, stationery, and postage.

Owner – as defined in the introductory paragraph.

Owner Indemnified Parties – as defined in Section 9.2.2.

Owner's Representative– as defined in Section 13.9.

Party or Parties – as defined in the introduction of this Agreement.

Person – an Individual and/or Entity, as the case may be.

Premises – as defined in Recital A.

Progress Reports – as defined in Section 5.3.1.

Project Budget – the budget for the Construction of the Hotel to be prepared by Owner setting forth, in detail, the break-down of the total estimated costs of the renovation of the Hotel and all appropriate categories of costs.

Reimbursable Expenses – the following expenses incurred by Manager or its Affiliates that are reimbursable hereunder: (a) all reasonable Out-of-Pocket Expenses; (b) the per diem charge as established by Manager or its Affiliates from time to time for personnel of Manager or its Affiliates assigned to special projects for the Hotel; (c) payments made or incurred by Manager or its Affiliates, or its or their employees, to other Persons for approved goods and services (i) in the ordinary course of business in providing the Technical Services, or (ii) as otherwise approved by Owner; (d) all taxes, assessments, duties, levies or charges (other than Manager's income taxes) imposed by any Governmental Authority against any reimbursements payable to Manager under this Agreement for expenses incurred for Owner's account, including the other Reimbursable Expenses listed herein; and (e) the cost of insurance required to be maintained by Manager hereunder, including deductibles and self-insured retentions as described in Section 9.1.1 hereof. Any individual expenses that are greater than $1,000, other than expenses described in the foregoing clause (e), shall require the prior written approval of Owner prior to being incurred in order to be reimbursable hereunder.

Renovation Completion Date – the date as of which the renovation of the Hotel is completed and the Hotel is fully operational with substantially all guest rooms and all other areas of the Hotel having been substantially completed in accordance with this Agreement, and with the following conditions having been met: (i) a certificate of completion has been issued for the Hotel by the Hotel architect, indicating that the Hotel has been substantially completed in accordance with the Approved Plans and Specifications and all Applicable Laws (including the requirements of the Americans with Disabilities Act of 1990, as amended (ADA)), and there has been a final inspection of the Hotel (as provided for in Section 2.4) and a determination by Manager following such final inspection that the Hotel complies with the Brand Standards; (ii) a certificate of occupancy has been issued for the Hotel by the appropriate Governmental Authority; (iii) substantially all FF&E, Operating Equipment and Operating Supplies have been installed in the Hotel in accordance with this Agreement; and (iv) the Hotel is fully licensed.

Requested Information – as defined in Section 13.14.3.

Review Materials – as defined in Section 4.1.2.

Site – as defined in Recital A.

Second Request – as defined in Section 4.2.1.

Start of Construction –the commencement of demolition of at least ten percent (10%) of the interior portions of the Hotel.

Technical Services – as defined in Section 2.2.

Term – as defined in Section 2.6.

Trademarks – the trademarks, trade name, service marks and copyrights, marks, logos, symbols, know-how, trade dress, slogans and all similar proprietary rights associated with the Brand or any of the centralized services, including all derivations of any of the foregoing.

EXHIBIT C TO TECHNICAL SERVICES AGREEMENT

TECHNICAL SERVICES

1. Hotel Facilities Assistance

   a. Design Guidance. Manager shall (a) provide assistance to Owner in preparing a list of the facilities to be included in the Hotel, which list shall include a specification of (i) the number of each type of hotel guest room, (ii) the number and type of food and beverage facilities and banquet and meeting facilities, indicating the seating capacity of each, as well as (if applicable) the number and type, and seating capacity, of such facilities in the New Hotel and the operation of such facilities on a coordinated basis, and (iii) the number and type of recreation areas, back of house areas, administrative areas and retail areas and certain other facilities and amenities, including common areas, shared facilities, signs, landscaping, parking areas and entry and exit to the Premises and other improvements on the Site (the "Hotel Facilities List"); (b) based on the Hotel Facilities List, prepare and submit to Owner a program specifying the recommended size of all Hotel facilities in square feet or square meters (the "Hotel Space Allocation"); and (c) provide to Owner the Design Guide for use in conceptual plan development.

   b. Conceptual Design Phase Guidance

      i. Submission of Plans. Owner shall submit to Manager conceptual architectural plans consisting of at least the following: (a) site plan; and (b) floor plans of all typical and non-typical floors illustrating development of design based on the Design Guide, the Hotel Facilities List and the Hotel Space Allocation. The Owner shall (and shall cause its architects or other contractors to) bring to Manager's attention any inconsistencies between the floor plans and the Design Guide, the Brand Standards, the Hotel Facilities List and/or the Hotel Space Allocation.

      ii. Review and Approval of Plans. Manager shall (a) review the conceptual plans to determine whether they conform to the requirements of the Design Guide, Brand Standards, the Hotel Facilities List and the Hotel Space Allocation and to assess the appropriateness and acceptability to Manager of any deviations therefrom; (b) advise on the acceptability to Manager of the conceptual plans and make recommendations for improvement to the extent Manager deems appropriate; and (c) approve the conceptual plans, when acceptable, all in accordance with the provisions of Section 4.2 of the Agreement.

   c. Preliminary Design Phase Guidance

      i. Submission of Plans. Owner shall submit to Manager preliminary architectural plans and specifications consisting of the following: (a) site plan; (b) perspective building sketches or model photographs; (c) floor

plans of all floors indicating size of each space; (d) building elevations and section; (e) large scale hotel guest room plans and furnishing layouts; (f) large scale drawings of elevator core and other critical details; (g) vertical transportation analysis; and (h) outline specifications for exterior and interior materials.

ii. Review and Approval of Plans. Manager shall: (a) review the preliminary plans prepared by the architect (including revisions requested in connection with earlier reviews), (b) advise on the acceptability thereof to Manager, and make recommendations for improvements to the extent Manager deems appropriate; (c) develop sketch schematic layouts for those areas requiring further revisions; and (d) review and approve the preliminary plans, when acceptable, all in accordance with the provisions of Section 4.2 of the Agreement.

d. Final Design Phase Guidance

i. Submission of Plans. Owner shall submit to Manager final plans and specifications consisting of the following: (a) the final architectural plans and specifications in sufficient detail for use as contract bid and working documents and for submission to appropriate Governmental Authorities in connection with applications for building permits, zoning variances, fire department approvals and other Approvals required for the construction work; (b) drawings for construction of guest room mock-ups; (c) lighting and landscaping plans; (d) final equipment layouts and specifications; and (e) reproducible renderings of quality and character suitable for marketing and advertising use.

ii. Review and Approval of Plans. Manager shall (a) review the final plans and specifications and make recommendations for improvement to the extent Manager deems appropriate; and (b) following consultation with Owner, approve the final plans and specifications, when acceptable, all in accordance with the provisions of Section 4.2 of the Agreement.

2. Interior Design and Decoration

a. Design Guidance. Manager shall provide (a) advice and assistance in in selecting the interior designer and defining the content and manner or presentation of the interior design submittals to be prepared by the designer; (b) advice and technical recommendations to the interior designer on functional layout of the Hotel, hotel guest rooms, corridors, all public areas, food and beverage facilities, ballroom and function spaces; and (c) a copy of the Design Guide and Brand Standards related to interior design.

b. Preliminary Design Phase Assistance

i. Submission of Plans. Owner shall submit to Manager a preliminary design presentation consisting of at least the following: (a) Hotel and hotel

room layouts with indication of the nature and location of furniture and furnishings; (b) perspective room sketches or models or any other means of showing overall design concept, colors, lighting and materials; (c) presentation boards containing samples of floor, wall and ceiling treatment as well as furniture and furnishing materials, containing information on flame spread and smoke development, and photographs or drawings of furniture, lighting fixtures and accessories; (d) uniform designs; (e) graphics; and (f) artwork.

ii. Review and Approval of Plans. Manager shall (a) review the preliminary design presentation, (b) advise on the acceptability thereof, and make recommendations for improvement to the extent Manager deems appropriate; and (c) approve the preliminary design presentation, when acceptable, all in accordance with the provisions of Section 4.2 of the Agreement.

c. Final Design Phase Assistance

i. Submission of Plans. Owner shall submit to Manager a final design presentation consisting of the following: (a) Hotel and hotel room layouts including furniture; (b) elevations and reflected ceiling plans; (c) lighting plans; (d) samples, specifications and fire ratings of all floor, wall and ceiling treatments and of all furniture and furnishing materials to be used; (e) detail drawings of specially designed furniture, lighting fixtures and accessories and millwork; (f) photographs of furnishing prototypes; (g) drawings and specifications of hotel guest room mock-ups; (h) uniforms, graphics and artwork; and (ix) reproducible renderings of the typical hotel guest rooms and all public areas of quality and character suitable for marketing and advertising purposes.

ii. Review and Approval of Plans. Manager shall (a) review the final design presentation and make recommendation for improvement to the extent Manager deems appropriate; and (b) following consultation with Owner, approve the final design presentation, when acceptable, all in accordance with the provisions of Section 4.2 of the Agreement.

3. Mechanical and Electrical Engineering Design Assistance

a. Design Guidance. Manager shall provide to the mechanical and electrical engineering contractors a copy of the Design Guide bringing to their attention any additional or different requirements Manager considers appropriate with respect to (a) heating, ventilation and air conditioning systems; (b) plumbing, draining, sewage disposal and water treatment; (c) electrical power supply and distribution system, as well as lighting, alarm, radio and television systems; (d) elevators and escalators; (e) telephone, public address and internal communication systems; and (f) special systems.

b. Preliminary Design Phase Assistance

i. Submission of Plans. Owner shall submit to Manager preliminary plans, outline specifications and calculations relating to systems (a) through (f) referred to in paragraph 3.a of this Exhibit.

ii. Review and Approval of Plans. Manager shall (a) review the preliminary plans and outline specifications, (b) advise on the acceptability thereof, and make technical recommendations for improvement to the extent Manager deems appropriate; and (c) approve the preliminary plans and outline specification, when acceptable, all in accordance with the provisions of Section 4.2 of the Agreement.

c. Final Design Phase Assistance

i. Submission of Plans. Owner shall submit to Manager final plans and specifications in sufficient detail for use as contract bid and working documents and for submission to appropriate Governmental Authorities in connection with applications for building permits, zoning variances, fire department approvals and the other Approvals required for the construction work.

ii. Review and Approval of Plans. Manager shall (a) review the final plans and specifications and make recommendations for improvement to the extent Manager deems appropriate; and (b) approve the final plans and specifications, when acceptable, all in accordance with the provisions of Section 4.2 of the Agreement.

4. Life Safety/Fire Protection Engineering Design Assistance

a. Design Guidance

i. Engagement of Consultant. Owner shall engage a qualified fire protection engineering consultant to prepare appropriate plans and specifications related to all aspects of fire and life safety protection.

ii. Guidelines. Manager shall provide such consultant with the latest edition of Manager's Brand Standards with respect to fire protection and life safety matters ("Fire Safety Guidelines"), including (a) compartmentalization; (b) emergency egress; (c) smoke and fire detection systems; (d) emergency evacuation alarms and communication systems; and (e) automatic sprinklers and other extinguishing systems.

b. Preliminary Design Phase Assistance

i. Submission of Plans. Owner shall submit to Manager preliminary plans, outline specifications and calculations relating to systems (a) to (e) in Section 4(a)(ii).

ii. Review and Approval of Plans. Manager shall (a) review preliminary plans and outline specifications; (b) advise on the acceptability thereof, and provide guidance and make recommendations for improvements to the extent Manager deems appropriate; and (c) approve the preliminary plans and outline specifications and calculations, when acceptable, all in accordance with the provisions of Section 4.2 of the Agreement.

c. Final Design Phase Assistance

i. Submission of Plans. Owner shall submit to Manager final plans, specifications and calculations relating to the systems in Section 4(a) in sufficient detail for use as contract bid and working documents and for submission to appropriate governmental departments in connection with applications for building permits, zoning variances, fire department approvals and the licenses and permits required for the construction work.

ii. Review and Approval of Plans. Manager shall (a) review the final plans and specifications; and (b) approve the plans, specifications and calculations, when acceptable, all in accordance with the provisions of Section 4.2 of the Agreement.

5. Intentionally Deleted.

6. Laundry and Valet Equipment Assistance

a. Design Guidance. Manager shall provide to the laundry and valet consultant (a) a copy of the Design Guide related to laundry and valet equipment; (b) advice concerning schematic layouts of laundries and valet facilities; and (c) advice in the preparation of a list of required equipment.

b. Preliminary Design Phase Assistance

i. Submission of Plans. Owner shall submit to Manager preliminary outline layouts and specifications for the laundry and valet areas and equipment.

ii. Review and Approval of Plans. Manager shall (a) review the preliminary outline layouts and specification, (b) advise on the advisability thereof, and make recommendations for improvement to the extent Manager deems appropriate; and (c) approve the preliminary outline layouts and specifications, when acceptable, all in accordance with the provisions of Section 4.2 of the Agreement.

c. Final Design Phase Assistance

i. Submission of Plans. Owner shall submit to Manager final plans and specifications for the laundry and valet areas and equipment consisting of the following: (a) an equipment schedule with indications of utilities requirements; (b) an equipment layout showing type of equipment and

mechanical and electrical connections; (c) specifications; (d) cut sheets; (e) detail drawings of fabricated items; and (f) instructions to bidders.

ii. Review and Approval of Plans. Manager shall (a) review the final plans and specifications and make recommendations for improvement to the extent Manager deems appropriate; and (b) approve the final plans and specifications, when acceptable, all in accordance with the provisions of Section 4.2 of the Agreement.

7. Management Information System Integration

a. Design Guidance. Manager shall (a) assist Owner in determining the extent to which technology systems should be used in the Hotel, based on operational considerations and brand affiliation, specifically with respect to the implementation of reservation systems; property management systems; point of sale systems; inventory control systems; engineering management systems; energy management systems; guest information systems; telecommunications; and electronic locking and security systems; and (b) provide cut sheets and advise Owner as to such technology systems with respect to equipment, configuration and security.

b. Preliminary Design Phase Assistance

i. Submission of Plans. Owner shall submit to Manager preliminary plans and specifications related to the systems listed in Section 7(a) illustrating (a) systems schematics; (b) interface connections; (c) hardware locations; (d) power requirements; and (e) computer room layout.

ii. Review and Approval of Plans. Manager shall review the preliminary plans and specifications and provide guidance to the extent Manager deems appropriate, and shall recommend to Owner any acceptable suppliers known to Manager.

c. Final Design Phase Assistance

i. Submission of Plans. Owner shall submit to Manager (a) final plans and specifications related to the systems listed in Section 7(a) in sufficient detail for use by Owner as contract bid documents; and (b) suppliers' proforma invoices and/or purchase orders.

ii. Review and Approval of Plans. Manager shall (a) review the final plans, specifications and proforma invoices/purchase orders and make recommendations for improvement to the extent Manager deems appropriate; (b) assist Owner to evaluate suppliers' bids; and (c) assist Owner and nominated suppliers to establish a program for system installations and training.

8. Operational Coordination and Planning

    a. Coordination and Planning. Manager shall provide advice and recommendations to Owner with respect to the coordination and planning with general operational activities for the Hotel, including (a) the development of food and beverage concepts for the Hotel, (b) the development of a spa concept for the Hotel, (c) guidance regarding human resources staffing and recruitment, (d) reviews of market conditions, and (e) review of pre-opening sales and marketing.

9. Budgets. Manager shall, upon the request of Owner, review and provide comments on the Project Budget or any other budget prepared by Owner (a "Budget") in connection with the development and renovation of the Hotel. Manager's review or approval of any Budget shall not be construed to be a representation, warranty, agreement, covenant, promise, or guaranty by Manager that the figures shown in such Budget can be achieved.

10. Intentionally Deleted.

11. Intentionally Deleted.

12. Hand-over.

    a. Schedule. Manager shall provide Owner with a preliminary schedule for hand-over of specific areas and systems not less than 12 months prior to the Owner's estimated date of completion as communicated in writing to Manager.

    b. Hand-Over. Owner shall (a) advise Manager when specific areas and systems have been completed and/or preliminarily accepted by the responsible consultants; (b) obtain certification that construction of the Hotel and systems has been completed substantially in accordance with the Approved Plans and Specifications; (c) separately obtain certification that fire protection and life safety systems have been completed in accordance with Applicable Law, Approved Plans and Specifications; (d) provide a copy of all relevant documentation including as built plans, specifications and equipment manufacturer's maintenance manuals and guarantees; and (e) provide training to Hotel Personnel by qualified technical advisors with respect to operation and maintenance of technical equipment and systems. Manager shall (i) review areas and systems Owner has advised are complete, and (ii) advise Owner of any deficiencies observed by Manager that must be corrected prior to the Opening Date.

EXHIBIT D TO TECHNICAL SERVICES AGREEMENT

PROJECT SCOPE

1. Scope of Work

Owner's scope of work with respect to the Hotel shall consist of the following, all in accordance with the terms of this Agreement:

1.1 Renovating the existing structure, removing any debris, and preparing the property for renovation.

1.2 Selecting reputable, qualified and first-class architects, contractors, engineers, designers, decorators and other professionals, specialists, and consultants in accordance with Section 5.1 for the design, development and construction of the Hotel.

1.3 Obtaining all necessary equity and debt financing for the Construction of the Hotel in accordance with this Agreement (including this Exhibit D).

1.4 Designing, developing and constructing the Hotel in accordance with the Design Guide, Brand Standards and Applicable Laws.

1.5 Selecting, purchasing or leasing and installing at the Hotel all fixtures, furniture, equipment and decorations in accordance with the Design Guide, Brand Standards and Applicable Laws and which shall be of such class or grade not less in quality or relative scope than that generally used in other Brand Hotels.

1.6 Selecting, purchasing or leasing and furnishing all Operating Equipment and Operating Supplies in accordance with the Design Guide, Brand Standards and Applicable Laws.

1.7 Obtaining all necessary Approvals for the Hotel and all activities to be conducted at the Hotel, including (a) a certificate of occupancy, to the extent required under Applicable Laws for the use, occupancy and operation of the Hotel, and (b) liquor licenses for all areas used for the sale or consumption of alcoholic beverages to the extent required under Applicable Laws.

1.8 Providing funding for all pre-opening services and marketing to be performed by Manager on behalf of Owner, depositing the initial working capital and complying with all other pre-opening obligations of Owner.

1.9 Performing all other activities required for the Hotel to comply with the Design Guide, Brand Standards and Applicable Laws on the Opening Date.

1.10 Completing all items on the Deficiency List promptly after the Deficiency List is finalized in accordance with Section 2.4 and Section 5.2.2.

EXHIBIT E TO TECHNICAL SERVICES AGREEMENT

INSURANCE REQUIREMENTS

CHICAGO DEPARTMENT OF AVIATION

O'HARE AIRPORT

HOTEL TECHNICAL SERVICES AGREEMENT

A. INSURANCE REQUIRED

Manager must provide the insurance coverages and requirements specified below, insuring all work, services, or operations related to the Agreement, during the term of the Agreement and during the time period following expiration if Manager is required to return and perform any work, services, or operations.

1) Workers Compensation and Employer's Liability (Primary and Umbrella)

Workers Compensation Insurance, as prescribed by applicable law covering all employees of Manager who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than $1,000,000 each accident; $1,000,000 disease-policy limit; and $1,000,000 disease-each employee, or the full per occurrence limits of the policy, whichever is greater. Coverage shall include other state endorsement, voluntary compensation and alternate employer, when applicable.

Manager may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

2) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent must be maintained with limits of not less than $1,000,000 per occurrence, or the full per occurrence limits of the policy, whichever is greater, for bodily injury, personal injury, and property damage liability. Coverages must include, but not be limited to, the following: All premises and operations, products/completed operations, separation of insureds, defense, and contractual liability (not to include Endorsement CG 21 39 or equivalent).

The City and other entities as required by City must be provided additional insured status with respect to liability arising out of Manager's work, services or operations. The City's additional insured status must apply to liability and defense of suits arising out of the performance of the Technical Services, whether such liability is attributable to the Manager or to the City. The full policy limits and scope of protection also will apply to the City as an additional insured, even if they exceed the City's minimum limits required

herein. Manager's liability insurance must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

Manager may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

3) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work, services, or operations to be performed, Manager must provide Automobile Liability Insurance with limits of not less than $1,000,000 per occurrence, or the full per occurrence limits of the policy, whichever is greater, for bodily injury and property damage. The City is to be added as an additional insureds on a primary, non-contributory basis.

Manager may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

4) Excess/Umbrella

Excess/Umbrella Liability Insurance must be maintained with limits of not less than $4,000,000 per occurrence, or the full per occurrence limits of the policy, whichever is greater. The policy/policies must provide the same coverages/follow form as the underlying Commercial General Liability, Automobile Liability, Employers Liability and Completed Operations coverage required herein and expressly provide that the excess or umbrella policy/policies will drop down over reduced and/or exhausted aggregate limit, if any, of the underlying insurance. The Excess/Umbrella policy/policies must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

Manager may use a combination of primary and excess/umbrella policies to satisfy the limits of liability required in sections A.1, A.2, A.3, A.4, A.5 and A.6 herein.

5) Management/Professional Liability

Management/Professional Liability Insurance must be maintained covering acts, errors, or omissions with limits of not less than $5,000,000 related to Manager's work, services or operations in connection with this Agreement. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work under this the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

Manager may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

Manager may self-insure for Management/Professional Liability Insurance in lieu of obtaining coverage from a third party insurer.

6) Property/Installation Floater

Manager must provide or cause to be provided All Risk Property Insurance/Installation Floater, at replacement cost, covering all loss, damage or destruction of the procurement, delivery, warehousing, and installation of the FF&E/OS&E or any other property in Manager's care, custody and control required to fully furnish/equip the Hotels. Coverage must include but not be limited to in-transit, off-site, faulty workmanship or materials, testing and mechanical-electrical breakdown. The City of Chicago is to be named as additional insured and loss payee.

B. Additional Requirements

Evidence of Insurance. Manager must furnish the City, Chicago Department of Aviation, 10510 W. Zemke Rd, Chicago, IL 60666, original certificates of insurance and additional insured endorsement, or other evidence of insurance, to be in force on the date of this Agreement, and renewal certificates of Insurance and endorsement, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. Manager must submit evidence of insurance prior to execution of Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of Agreement. The failure of the City to obtain, nor the City's receipt of, or failure to object to a non-complying insurance certificate, endorsement or other insurance evidence from Manager, its insurance broker(s) and/or insurer(s) will not be construed as a waiver by the City of any of the required insurance provisions. Manager must advise all insurers of the Agreement provisions regarding insurance. The City in no way warrants that the insurance required herein is sufficient to protect Manager for liabilities which may arise from or relate to the Agreement. The City may review certified copies of any required insurance policies at a mutually agreeable location at any time upon reasonable request.

Failure to Maintain Insurance. Failure of the Manager to comply with required coverage and terms and conditions herein will not limit Manager's liability or responsibility nor does it relieve Manager of the obligation to provide insurance as specified in this Agreement. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to suspend this Agreement until proper evidence of insurance is provided, or the Agreement may be terminated.

Notice of Material Change, Cancellation or Non-Renewal. Manager must provide for sixty (60) days prior written notice to be given to the City in the event coverage is substantially changed, canceled or non-renewed and ten (10) days prior written notice for non-payment of premium.

Waiver of Subrogation. Manager hereby waives its rights and its insurer(s)' rights of and agrees to require their insurers to waive their rights of subrogation against the City under all required insurance herein for any loss arising from or relating to this Agreement. Manager agrees to

obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City received a waiver of subrogation endorsement for Manager's insurer(s).

Manager's Insurance Primary. All insurance required of Manager under this Agreement shall state that Manager's insurance policy is primary and not contributory with any insurance carrier by the City.

No Limitation as to Manager's Liabilities. The coverages and limits furnished by Manager in no way limit the Manager's liabilities and responsibilities specified within the Agreement or by law.

No Contribution by City. Any insurance or self-insurance programs maintained by the City do not contribute with insurance provided by Manager under this Agreement.

Insurance not Limited by Indemnification. The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

Insurance and Limits Maintained. If Manager maintains higher limits and/or broader coverage than the minimums shown herein, the City requires and shall be entitled the higher limits and/or broader coverage maintained by Manager. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Joint Venture or Limited Liability Company. If Manager is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

Other Insurance obtained by Manager. If Manager desires additional coverages, the Manager will be responsible for the acquisition and cost.

Insurance required of Subcontractors. Manager shall require each Subcontractor to provide and maintain Commercial General Liability, Commercial Automobile Liability, Worker's Compensation and Employers Liability Insurance and when applicable Excess/Umbrella Liability Insurance with commercially reasonable coverage. The limits of coverage will be determined by Manager but shall be not less than $5,000,000 per occurrence for access to the airfield. Manager shall determine if Subcontractor(s) must also provide any additional coverage or other coverage outlined in Section A, Insurance Required. Manager is responsible for ensuring that each Subcontractor has named the City as an additional insured where required on an additional insured endorsement form acceptable to the City. Manager is also responsible for ensuring that each Subcontractor has complied with the required coverage and terms and conditions outlined in this Section B, Additional Requirements. When requested by the City, Manager must provide to the City certificates of insurance and additional insured endorsements or other evidence of insurance. The City reserves the right to obtain complete, certified copies of any required insurance policies at any time. Failure of the Subcontractor(s) to comply with required coverage and terms and conditions outlined herein will not limit Manager's liability or responsibility.

City's Right to Modify. Notwithstanding any provisions in the Agreement to the contrary, the City, Department of Finance, Risk Management Office maintains the right to modify, delete, alter or change these requirements, subject to Manager's prior written approval, not to be unreasonably withheld, unless required by Legal Requirements or by Owner's Lender.

EXHIBIT C

PRE-OPENING AND RELATED SERVICES AGREEMENT

THIS PRE-OPENING AND RELATED SERVICES AGREEMENT (this "Agreement") is made as of _____, 201__ (the "Effective Date"), by and between the **CITY OF CHICAGO**, a municipal corporation, home rule unit of local government organized and existing under Article VII, Sections 1 and 6(a), respectively, of the 1970 Constitution of the State of Illinois ("Owner" or the "City"), and **HILTON MANAGEMENT LLC**, a Delaware limited liability company ("Manager"). (Owner and Manager are sometimes referred to individually as a "Party" and collectively in this Agreement as the "Parties"). Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the other Hotel Agreements (as hereinafter defined).

RECITALS

A. Owner holds the beneficial rights to the real property described in Exhibit A (the "Premises"), on which site Owner intends to (i) renovate the existing "Hilton" brand hotel more specifically described in Exhibit A to the Technical Services Agreement (the "Existing Hotel"), and (ii) develop and build a new "Conrad" brand hotel as more specifically described in Exhibit A to the Technical Services Agreement (the "New Hotel"). This Agreement relates to the Existing Hotel which is referred to herein as the "Hotel". The site on which the Hotel is located is referred to as the "Site".

B. Owner issued a Request for Proposals on April 19, 2017 (the "RFP") for management of, technical services relating to the development of, and pre-opening and procurement services relating to the New Hotel and renovation of the Existing Hotel. Manager responded to the RFP with its proposal dated May 23, 2017 ("Manager's Proposal"). Owner has evaluated all of the proposals submitted in response to its RFP, and has selected the Manager and the Possible New Hotel Manager, respectively, to provide pre-opening and procurement services in connection with the renovation of the Existing Hotel and the development of the New Hotel pursuant to the terms and conditions set forth herein and in the Pre-Opening and Procurement Services Agreement relating to the New Hotel that is being negotiated by the Owner and Possible New Hotel Manager. By action of the City Council of the City on _____, 2018 execution and delivery of this Agreement was authorized, but not directed.

C. Owner and Manager have entered or intend to enter into a Management Agreement (the "Management Agreement") for the operation of the Hotel by Manager.

D. Owner and Manager, as independent contractor, have entered into a Technical Services Agreement (the "Technical Services Agreement") pursuant to which Manager will assist Owner in connection with certain specified matters concerning the planning, designing, equipping, decorating, and furnishing of the Hotel in connection with the renovation of the Hotel. The Management Agreement, the Technical Services Agreement, and this Agreement are sometimes collectively referred to herein as the "Hotel Agreements."

E. Owner desires to engage Manager to perform certain specified pre-opening services and related services in respect to the Hotel, and Manager desires to accept such engagement.

AGREEMENT

NOW, THEREFORE, in consideration of the recitals, promises and covenants set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1

PRE-OPENING SERVICES

1.1 Pre-Opening Services. During the period from the Effective Date to the Renovation Completion Date (the "Pre-Opening Period"), in order to facilitate a proper and orderly relaunch of the Hotel following the completion of the Hotel renovation, Manager shall assist Owner in taking all steps necessary to prepare the Hotel for such relaunch, including those services set forth below and those additional services necessary or desirable during the Pre-Opening Period in order to successfully operate the Hotel following the renovation of the Hotel in accordance with the Management Agreement (collectively, the "Pre-Opening Services"), to the extent applicable taking into consideration that the Hotel is open and operating as of the Effective Date:

(a) Identify, appoint, instruct and supervise the general manager, director of sales and marketing, controller, food and beverage manager and such other Hotel Employees and management team members as are necessary or advisable for proper staffing of the Hotel (subject to Owner's participation in the hiring of certain Hotel executive staff in accordance with Section 4.3(b) of the Management Agreement). Manager acknowledges that all employees directly hired and employed by Manager shall be in the sole employee of Manager (or an Affiliate of Manager) as agent for Owner. All Employee Costs and Fringe Benefits, including but not limited to wages, salaries, other compensation paid or payable to or with respect to such employees, and all fringe benefits and taxes payable to or with respect to such employees, including payroll taxes, unemployment insurance taxes and/or benefits, social security taxes and worker's compensation and disability benefits now or hereafter imposed by law, any other agreement or in union agreements entered into by Manager, shall be paid by Owner. The payments required by this Section shall be the sole responsibility of Owner.

(b) Recruit and train all Hotel Employees so that such employees can perform their duties at the Hotel from and after the Opening Date, including the development of a training program to assist employees with carrying out the Brand Standards.

(c) Conduct a minimum of one job fair in each of at least four (4) Socio-Economically Disadvantaged Areas, as designated by the City, which are shown on the attached Exhibit B, to foster hiring employees from such areas. The Manager must also participate in any City-sponsored job fairs or similar outreach events as

reasonably requested by the City, including but not limited to job fairs for veterans. Nothing in this section prohibits the Manager from conducting additional job fairs in other locations or at other times. Manager shall provide job postings or employment listings to area workforce development groups or agencies as identified by the City, assist agencies, and the City's Office of Veterans Affairs. Manager shall designate and identify a member of its team as an Employment Services Coordinator who will be assigned to assist employees, particularly new hires who are low income or are from Socio-Economically Disadvantaged Areas, or employees who are veterans, regarding access to information and social services that may help them be successful employees. The Employment Services Coordinator will also serve as a liaison between the Manager and social services organizations, assist agencies, workforce development groups or agencies, and labor organizations to help the Manager advertise job openings, obtain resumes, and plan and execute job fairs in Socio-Economically Disadvantaged Areas in order to promote hiring outreach throughout Chicago and especially in Socio-Economically Disadvantaged Areas. Likewise, the Employment Services Coordinator will also serve as a liaison between the Manager and the City's Office of Veterans' Affairs and other veterans' affairs organizations to promote the employment of veterans.

(d) Develop and execute a sales, advertising, marketing and promotional program for the sale of rooms and food and beverage services; initiate public relations and communications activities; arrange for appropriate opening functions and ceremonies for the Hotel; disburse marketing materials to appropriate audiences via effective communication means; and provide a loyalty program in accordance with the Brand Standards.

(e) Assist Owner in the preparation of a plan for the use of concession and lease space in the Hotel. After such plan is completed and in cooperation with Owner, negotiate leases or concession agreements related to the appropriate facilities of the Hotel with concessionaires, licensees, tenants and other intended users included on a list of "approved concessionaires" mutually agreed upon by Owner and Manager. The negotiation and execution of all concessions, licenses and leases (and any amendments or supplements thereto) shall be subject to Owner's approval to the extent such approval is required in the Management Agreement.

(f) Cooperate in all reasonable respects with Owner in Owner's application for and procurement of all licenses and permits required for the operation of the Hotel and their related facilities, provided that Owner shall be obligated to obtain and pay for all such licenses and permits. Upon request by Manager, Owner shall make, execute and deliver any and all applications and other documents and shall otherwise cooperate to the fullest extent with Manager in applying for, obtaining and maintaining all required licenses and permits deemed necessary by Manager with respect to the Hotel. Owner shall have the obligation to obtain and maintain all such licenses and permits in Owner's name. Owner shall also make, execute and deliver such agreements, contracts, leases, applications, verifications, instruments and other documents as are reasonably required hereunder, and shall otherwise cooperate fully with Manager as reasonably necessary in connection with the permits and licenses.

(g) Provide Owner with Manager's standard pre-opening accounting and administrative services and advise Owner with respect to the incorporation, procurement, and installation of computer hardware and software and related reservations, property management, sales, telecommunications, information technology and other stand-alone systems or Brand Hotel systems utilized by Manager.

(h) Provide Owner with advice and recommendations with respect to technology systems to be used in the Hotel, based on operational considerations, specifically with respect to the implementation of reservation systems, property management systems, point of sale systems, inventory control systems, engineering management systems, guest information systems, telecommunications, and electronic locking and security systems. Manager shall provide Owner or its designated outside legal counsel with the Brand Standards which provide certain guidance for technology systems.

(i) Render such other services incidental to the preparation and organization of Hotel operations, as may be reasonably required for the Hotel to be adequately staged and capable of operating on the Opening Date in accordance with the Brand Standards.

1.2 Pre-Opening Budget. Manager shall prepare and submit for Owner's approval a pre-opening budget (the "Pre-Opening Budget"). The Pre-Opening Budget shall include cost estimates for all pre-opening expenses, including but not limited to: (a) Employee Costs; (b) training; (c) sales and promotion; and (d) promotion of the Hotel re-launch following completion of the renovation. The Pre-Opening Budget excludes the costs of capital expenditures related to the Construction (as defined in the Technical Services Agreement), Operating Supplies, Operating Equipment, information technology, and costs related to insurance required hereunder, which costs and expenses shall be the responsibility of Owner and included within Owner's Project Budget. As of the Effective Date, Manager anticipates that the estimated amount of the Pre-Opening Budget will be equal to $500,000, which estimate is based upon the Renovation Completion Date occurring no later than January 1, 2023; Owner acknowledges and agrees that the foregoing amounts are estimates only, and that the actual amount of pre-opening costs and expenses may be different. Manager will separately provide Owner with estimated costs for Operating Supplies, Operating Equipment and information technology. Manager shall use commercially reasonable efforts not to exceed the Pre-Opening Budget but may do so to the extent that there are changes in the scope, timing or other assumptions upon which the Pre-Opening Budget was based that result in increased pre-opening costs and expenses; provided, however, that Owner's approval shall be required for any expenditures that in the aggregate exceed ten percent (10%) of the overall Pre-Opening Budget. In no event will Manager be required to fund any shortfall in pre-opening costs or expenses, and in no event shall Manager be in breach of this Agreement or the other Hotel Agreements if Manager has made commercially reasonable efforts to comply with the Pre-Opening Budget or if the increased costs for pre-opening activities are outside of Manager's reasonable control. Manager agrees to communicate with Owner in good faith during the Pre-Opening Period with respect to anticipated increases in the Pre-Opening Budget.

1.3 Pre-Opening Expenses. All pre-opening costs and expenses shall be borne by Owner, and where practical shall be billed to and paid directly by Owner. Owner shall provide to Manager, monthly in advance, funds to pay anticipated costs and expenses as set forth in the Pre-Opening Budget to the extent not billed to and paid directly by Owner. To the extent, if any, not billed to and paid directly by Owner or not funded in advance, Owner shall reimburse Manager for all costs and expenses incurred by Manager during the Pre-Opening Period, including, without limitation, Employee Costs, and the cost of any FF&E, Operating Equipment and Operating Supplies for the Hotel paid for by Manager or its Affiliates, and costs related to Manager's insurance obligations hereunder. During the Pre-Opening Period, Manager shall submit reasonably detailed monthly statements for costs and expenses not billed to and paid directly by Owner which, unless funded in advance, Owner shall pay promptly upon receipt. Except as provided in Section 1.2, Manager shall not be reimbursed for costs and expenses other than as authorized by the Pre-Opening Budget or as otherwise approved by Owner.

1.4 Pre-Opening Account. Manager may establish a special bank account in the name of Owner, at a banking institution or institutions mutually approved by Manager and Owner, from which all pre-opening costs and expenses shall be paid (the "Pre-Opening Account"). Owner shall deposit funds in the Pre-Opening Account in the amounts and at the times set forth in the funding schedule attached to the Pre-Opening Budget, or if no funding schedule is so attached, no later than fifteen (15) days prior to each applicable draw by Manager in accordance with the Pre-Opening Budget. After all pre-opening expenses have been paid, the balance in the Pre-Opening Account shall be returned to Owner, together with a detailed accounting of all deposits into and disbursements from such Account, and the Pre-Opening Account closed within one hundred twenty days of the Renovation Completion Date. Manager's designees shall be the only persons authorized to draw from the Pre-Opening Account, in accordance with the terms of this Agreement and Manager's standard accounting policies and practices. Manager shall establish controls to ensure accurate reporting of all transactions involving the Pre-Opening Account. Unless due to Manager's Gross Negligence or Willful Misconduct, any loss suffered in the Pre-Opening Account, or in any investment of funds into any such account, shall be borne by Owner, and Manager shall have no liability or responsibility therefor. Any excess funds remaining in the Pre-Opening Account following termination of this Agreement shall be deposited into the Operating Reserve established under the Management Agreement.

1.5 Accrual after Renovation Completion Date. Owner acknowledges that the pre-opening costs and expenses may be incurred or accrued after the Renovation Completion Date, in accordance with this Agreement, and Owner agrees to pay any such pre-opening costs and expenses, whether incurred or accrued prior to, during or after the Term in accordance with this Article 1.

ARTICLE 2

COORDINATION OF PROCUREMENT AND CONSULTING SERVICES

2.1 Coordination of Certain Procurement and Consulting Services. In connection with the renovation of the Hotel, Owner desires to engage Manager to coordinate and administer

the provision of certain procurement and technical consulting services as agent for and on behalf of Owner. Manager shall, as agent for and on behalf of Owner, engage one or more third parties to provide such services, subject to the terms hereof and as described more fully below.

2.2 FF&E Procurement Services. During the Pre-Opening Period, Manager, shall, as agent for and on behalf of Owner, subject to the terms hereof, enter into one or more contracts with one or more third parties for such third parties to coordinate and administer the selection, procurement, delivery, warehousing, and installation of the FF&E (collectively, the "FF&E Procurement Services"); provided, however, that neither Manager nor any such third party shall have any obligation to pay for such FF&E, and the cost relating thereto shall not be part of the Pre-Opening Budget. Such costs shall be included within the Owner's Project Budget for the Hotel, as defined in the Technical Services Agreement. The FF&E Procurement Services shall include, without limitation:

(a) Prior to the Renovation Completion Date, acquire or cause to be acquired, in Owner's name, pursuant to agreements approved by Owner, the FF&E in accordance with the list of FF&E approved by Owner. Owner, in consultation with the Manager, is responsible for ensuring that (i) the specifications for the FF&E are sufficiently detailed to enable Manager to advise whether they meet Brand Standards and Manager approved design plans and specifications, and (ii) the list of approved FF&E and Project Budget is sufficient to meet the Brand Standards, Applicable Laws and Manager approved design plans and specifications.

(b) Coordinate with and advise Owner's consultants, interior designers, engineers, contractors, architects, and agents on meeting the Brand Standards in connection with (i) the preparation and review of the specifications for the FF&E, including carpeting, furniture, draperies, fabrics and wall coverings, (ii) the review of purchase specifications for furniture and other furnishings, (iii) the provision of all available interior finish guidelines and other applied finishes, and (iv) recommending vendors, design processes, materials, and possible alternatives.

(c) Coordinate with Owner to schedule and manage the proper delivery, storage, warehousing, and installation of the FF&E prior to the Opening Date.

2.3 OS&E Procurement Services. During the Pre-Opening Period, to the extent necessary or desirable taking into consideration that the Hotel is open and operating as a Brand Hotel as of the Effective Date, Manager, shall, as agent for and on behalf of Owner, subject to the terms hereof, enter into one or more contracts with one or more third parties for such third parties to assist Owner in the acquisition of the Operating Supplies and Equipment which will allow for the full operation of the Hotel after the Opening Date (the "OS&E Procurement Services"); provided, however, that neither Manager nor any such third party shall have any obligation to pay for any such Operating Equipment or Operating Supplies, and the cost relating thereto shall not be part of the Pre-Opening Budget. Such costs shall be included within Owner's Project Budget for the Hotel. "Operating Supplies" shall mean consumable items used in, or held in storage for use in, the operation of the Hotel, including food and beverages, guest amenities, fuel, cleaning materials, printed materials, and other similar items. "Operating Equipment" shall mean non-consumable items used in, or held in storage for use in, the

operation of the Hotel, including all china, glassware, linens, silverware, uniforms and other similar items, but not including FF&E. The OS&E Procurement Services shall include:

(a) providing Owner with a list of all required Operating Equipment and Operating Supplies, which list shall be based on the final plans and specifications for the Hotel as approved by Manager, the current Hotel Facilities List (as defined in the Technical Services Agreement) and the estimated operational requirements of the Hotel for such items, which list shall be revised at such times as appropriate to reflect changes in the said estimated requirements; and

(b) submitting final purchase orders and samples to the Owner for review and approval.

2.4 IT Procurement Services. During the Pre-Opening Period, to the extent necessary or desirable taking into consideration that the Hotel is open and operating as a Brand Hotel as of the Effective Date, Manager, shall, as agent for and on behalf of Owner, subject to the terms hereof, enter into one or more contracts with one or more third parties for such third parties to assist Owner in the acquisition of the information technology hardware and software which will allow for the full operation of the Hotel after the Opening Date (the "IT Procurement Services"); provided, however, that neither Manager nor any such third party shall have any obligation to pay for any such information technology, and the cost relating thereto shall not be part of the Pre-Opening Budget. Such costs shall be included within Owner's Project Budget for the Hotel.

2.5 F&B Technical Consulting Services. Pursuant to the Management Agreement, Manager and Owner anticipate that Owner will engage, or Manager, as agent for Owner, will engage the F&B Operator to manage food and beverage operations at the Hotel. In connection therewith, Manager also intends, as agent for and on behalf of Owner, to engage the F&B Operator, as a consultant, to provide certain technical consulting services with respect to the renovation and development of food and beverage spaces in the Hotel. In this role, the F&B Operator would coordinate with Owner, Manager, and Owner's interior designer and architect throughout the design phase and other phases of the renovation of the Hotel as necessary, helping to identify branded food concepts, menu offerings, and FF&E, among other duties to be mutually agreed upon by the F&B Operator, Manager and Owner (collectively, the "F&B Technical Consulting Services"). Accordingly, Owner authorizes Manager, as agent for and on behalf of Owner, subject to the terms hereof, to enter into a contract with the F&B Operator for the F&B Operator to provide the F&B Technical Consulting Services.

2.6 Agreements for the Procurement Services and F&B Technical Consulting Services. The FF&E Procurement Services, the OS&E Procurement Services and the IT Procurement Services may be referred to collectively herein as the "Procurement Services." Manager intends, as agent for and on behalf of Owner, to enter into contracts with (i) Balton Corporation, CFS Installations, Neil Locke & Associates, and Hilton Supply Management LLC for the Procurement Services, and (ii) the F&B Operator for the F&B Technical Consulting Services (such contracts, the "Services Agreements"). The Services Agreements shall be negotiated and approved by Owner, and shall be subject to Manager's approval, not to be unreasonably withheld, conditioned or delayed. Manager's sole responsibility with respect to the Services Agreements will be assisting with administering Owner's obligations under the Services

Agreements and coordinating with the Procurement Services providers and F&B Operator in connection therewith.

2.7 Compensation; Costs and Expenses.

(a) Fees. As compensation for the services rendered pursuant to Article 2 of this Agreement, Owner shall pay Manager a fee of $840,500 (the "Procurement Services Fee"), which consists of the following:

(i) A fee of $37,500 to Balton Corporation for a portion of the Procurement Services;

(ii) A fee of $195,000 to CFS Installations for a portion of the Procurement Services;

(iii) A combined fee of $533,000 to Neil Locke & Associates and Hilton Supply Management LLC for a portion of the Procurement Services; and

(iv) A fee of $75,000 the F&B Operator for the F&B Technical Consulting Services.

Manager, as agent for the Owner, will remit the appropriate portions of the Procurement Services Fee to the applicable third parties pursuant to and in accordance with the applicable Services Agreements. Owner acknowledges and agrees that Hilton Supply Management LLC is an Affiliate of Manager and that such Affiliate may earn and retain a profit from its provision of the Procurement Services.

(b) Costs and Expenses. Owner shall be responsible for payment of all other amounts as and when due under the Services Agreements, which amounts may include, for example and without limitation, the price of the items, associated costs such as freight charges, taxes, and reimbursable expenses.

2.8 Procurement Services Account. Manager may establish a special bank account in the name of Owner, at a banking institution or institutions mutually approved by Manager and Owner, from which the Procurement Services Fee shall be paid (the "Procurement Services Account"). Owner shall deposit the Procurement Services Fee in the Procurement Services Account no later than July 1, 2018. After the Procurement Services Fee has been paid, any balance in the Procurement Services Account shall be deposited in the Operating Reserve established pursuant to the Management Agreement, together with a detailed accounting of all deposits into and disbursements from the Procurement Services Account, and such Account closed within one hundred twenty days of the Renovation Completion Date. Manager's designees shall be the only persons authorized to draw from the Procurement Services Account, in accordance with the terms of this Agreement, the Services Agreements, and Manager's standard accounting policies and practices. Manager shall establish controls to ensure accurate reporting of all transactions involving the Procurement Services Account. Unless due to Manager's Gross Negligence or Willful Misconduct, any loss suffered in the Procurement Services Accounts, or in any investment of funds into any such account, shall be borne by Owner, and Manager shall have no liability or responsibility therefor.

2.9 Accrual after Opening Date. Owner acknowledges that the Procurement Services Fee and certain costs and expenses related to the Procurement Services and F&B Technical Consulting Services may be incurred or accrued after the Opening Date, in accordance with this Agreement, and Owner agrees to pay any such fees, costs and expenses, whether incurred or accrued prior to, during or after the Term in accordance with this Article 2.

ARTICLE 3

TERM

3.1 This Agreement shall be for a period commencing on the Effective Date and expiring on the Renovation Completion Date (the "Term"), unless terminated earlier in accordance with this Agreement.

ARTICLE 4

COVENANTS

4.1 Legal Requirements. In the performance of its duties under this Agreement, Manager shall comply and cause its agents and employees to comply, with all Legal Requirements, including without limitation, those promulgated by the FAA and those section in Section 15 of the Management Agreement (excluding those set forth in Section 15.5), and the following subsections 4.1.1(1) through (6), to the extent applicable and required in connection with the performance of Manager's duties hereunder, except as elsewhere limited or excused, including without limitation Sections 7.1 and 7.2, and subject to the funds necessary for such compliance being available to Manager under this Agreement. Notwithstanding any conflicting provisions of this Agreement or the Management Agreement requiring Manager to incorporate certain provisions related to Legal Requirements into subcontracts or contracts (or requiring such subcontractors and contractors to execute certificates or affidavits), Owner and Manager shall mutually determine which such provisions must be incorporated into subcontracts and contracts, what modifications may be required to adapt such provisions for the context of subcontracts and contracts, the specific types of subcontracts and contracts into which of those provisions must be incorporated and what certificates or affidavits such subcontractor and contractors may be required to execute. Notwithstanding the foregoing, or anything to the contrary in this Agreement or the Management Agreement, any obligation to incorporate or include such specific contract provisions shall not extend to contracts, agreements and other arrangements (i) provided as part of the Chain Services or Direct Deductions Services, (ii) procured through Manager's Centralized Purchasing Services, (iii) on forms provided "system wide" to the Hotel and any of the other Brand Hotels, (iv) that consist of booking, sales and distribution, and other similar agreements entered into by Manager in the normal course of business, or (v) that consist of insurance policies required to be provided by Manager hereunder.

4.1.1 Federal Requirements:

(1) Manager for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration of this Agreement, covenants and agrees with a covenant running with the land that: (i) no

person on the grounds of race, color, or national origin will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination in the use of the Site or the Hotel; (ii) in the construction of any improvements on, over, or under the Site or the Hotel and the furnishing of services in the Hotel, no person on the grounds of race, color, or national origin will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination; (iii) Manager will use the Site and the Hotel in compliance with all other requirements imposed by or under 49 C.F.R. Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as those regulations may be amended and all other requirements imposed by or pursuant to the List of Pertinent Nondiscrimination Acts and Authorities (set forth below and in Appendix E of Appendix 4 of FAA Order 1400.11, Nondiscrimination in Federally-Assisted Programs at the Federal Aviation Administration), and as that List may be amended; and (iv) Manager shall perform its obligations hereunder with respect to the Hotel on a fair, equal, and non-discriminatory basis. In addition to complying with Title VI of the Civil Rights Act of 1964, Manager assures that it will comply and will cause its employees, agents and contractors to comply with all other pertinent statutes, including but not limited to 49 USC 47123, Executive Orders and the rules as are promulgated to assure that no person will, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefitting from federal assistance. In the event of breach of any of the above nondiscrimination covenants, City will have the right to terminate the Agreement and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said Agreement had never been made or issued.

(2) It is an unlawful practice for Manager to, and Manager must at no time: (i) fail or refuse to hire, or discharge, any individual or discriminate against the individual with respect to his or her compensation, or the terms, conditions, or privileges of his or her employment, because of the individual's race, creed, color, religion, sex, age, handicap or national origin; or (ii) limit, segregate, or classify its employees or applicants for employment in any way that would deprive any individual of employment opportunities or otherwise adversely affect his or her status as an employee, because of the individual's race, creed, color, religion, sex, age, handicap or national origin; or (iii) in the exercise of the privileges granted in this Agreement, discriminate or permit discrimination in any manner, including the use of the Site or the Hotel, against any person or group of persons because of race, creed, color, religion, national origin, age, handicap, sex or ancestry. Manager must post in conspicuous places to which the Hotel Employees or applicants for employment at the Hotel have access, notices setting forth the provisions of this non-discrimination clause.

(3) The Manager shall comply with The Civil Rights Act of 1964, 42, U.S.C. Sec. 2000 et seq. (1981), as amended, and to the extent required by the law, must undertake, implement and operate an affirmative action program in compliance with the rules and regulations of the Federal Equal Employment Opportunity Commission and the Office of Federal Contract Compliance, including 14 CFR Part 152, Subpart E. Attention is called to: Executive Order No. 11,246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. 2000(e) note, as amended by Executive Order No. 11,375 32 Fed. Reg. 14,303 (1967) and by Executive Order No. 12,086, 43 Fed. Reg. 46,501 (1978); the Age Discrimination Act, 43 U.S.C. Sec. 6101-6106 (1981); Age Discrimination in Employment Act, 29 U.S.C. Sec. 621-34; the Rehabilitation Act of 1973, 29 U.S.C. Sec. 793-794 (1981); the Americans with Disabilities Act, 42 U.S.C. Sec. 12101 et seq.; 41 C.F.R. Part 60 et seq. (1990) and 49 CFR Part 21, as amended (the "ADA"); and all other applicable federal statutes, regulations and other laws.

(4) The Manager agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision binds the Manager and subtier contractors from the bid solicitation period through the completion of the Agreement. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

(5) During the performance of this Agreement, the Manager for itself, its assignees, and successors in interest (hereinafter referred to in this subsection (5) as the "Manager") agrees as follows:

Compliance with Regulations: The Manager (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

Non-discrimination. The Manager, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Manager will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by the Manager for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Manager of the Manager's obligations under this Agreement and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

Information and Reports: The Manager will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to the Hotel's books, records, accounts, other sources of information, and Hotel facilities as may be determined by the City or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of Manager is in the exclusive possession of another who fails or refuses to furnish the information, the Manager will so certify to the City or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

Sanctions for Noncompliance: In the event of a Manager's noncompliance with the Non-discrimination provisions of this Agreement, the City will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

(i) Withholding payments to the Manager under the Agreement until the Manager complies; and/or

(ii) Cancelling, terminating or suspending an Agreement, in whole or in part.

(6) **Incorporation of Provisions**: The Manager will include the provisions of paragraphs (1) through (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The Manager will take action with respect to any subcontract or procurement as the City or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Manager becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Manager may request the City to enter into any litigation to protect the interests of the City. In addition, the Manager may request the United States to enter into the litigation to protect the interests of the United States.

4.2 Manager's MBE/WBE Commitment. The Manager agrees for itself and its successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate its contractors to agree, that it will endeavor, as one of its publicly stated goals, to accomplish the following:

(a) Consistent with the findings which support the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., of the Code (the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 4.2, during the Term of this Agreement, Manager shall make good faith efforts to meet its commitments with respect to participation of MBE/WBE as set forth in Exhibit D ("Special Conditions for Professional Services MBE & WBE"). The stated goals for MBE/WBE are at least twenty-five percent (25%) of the Aggregate Procurement Services Fee shall be expended for contract participation by minority-owned businesses and at least five percent (5%) of the Aggregate Procurement Services Fee shall be expended for contract participation by women-owned businesses. To the extent the Manager's Proposal commits the Manager to exceed the percentages than those required in this Section 4.2(a) above, the higher percentages set forth in the Manager's Proposal shall control. The "Aggregate Procurement Services Fee" shall mean the sum of the Procurement Services Fee (as defined herein) with respect to the Hotel and the Procurement Services Fee (as defined in any Pre-Opening and Related Services Agreement between Owner and Possible New Hotel Manager relating to the New Hotel).

(b) For purposes of this Section 4.2 only:

(i) The Manager (and any party to whom a contract is let by the Manager in connection with this Agreement) shall be deemed a "Contractor" and this Agreement (and any contract let by the Manager) shall be deemed a "non-construction contract" as such term is defined in Section 2-92-430, of the Code, as applicable.

(ii) The term "minority-owned business" or "MBE" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, as applicable.

(iii) The term "women-owned business" or "WBE" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, as applicable.

(c) Consistent with Sections 2-92-420, et seq., of the Code, the Manager's MBE/WBE commitment may be achieved in part by the Manager's and/or the Possible New Hotel Manager's status as an MBE or WBE (but only to the extent of any actual

work performed by the Manager or the Possible New Hotel Manager, respectively) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture, or (ii) the amount of any actual work performed by the MBE or WBE); by the Manager and/or the Possible New Hotel Manager's utilizing a MBE or a WBE (but only to the extent of any actual work performed by the general contractor); by subcontracting or causing contractor to subcontract to one or more MBEs or WBEs; by the purchase of materials or services used in the construction of the Improvements (with respect to the Hotel and/or the New Hotel) from one or more MBEs or WBEs; or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Manager's MBE/WBE commitment as described in this Section 4.2. In accordance with Exhibit D, the Manager shall not substitute any MBE or WBE without the prior written approval of CDA.

(d) The Manager shall deliver quarterly reports to the City's monitoring staff during the term describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by the Manager, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Technical Services, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as set forth in Exhibit D and otherwise as may assist the City's monitoring staff in determining the Manager's compliance with this MBE/WBE commitment. The Manager shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the operation of its Hotel for at least five (5) years and the City's monitoring staff shall have access to all such records maintained by the Manager, on prior notice of at least five (5) Business Days, to allow the City to review the Manager's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the construction of the Improvements.

(e) Upon the disqualification of any MBE or WBE, if the disqualified party misrepresented such status, the Manager shall be obligated to discharge or cause to be discharged the disqualified party, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Code Sections 2-92-540 and 2-92-730, as applicable.

(f) Any reduction or waiver of the Manager's MBE/WBE commitment as described in this Section 4.2 shall be undertaken in accordance with Code Sections 2-92-450 and 2-92-730, as applicable.

(g) The Manager shall also use good faith efforts to comply with the provisions contained in Exhibit D attached hereto which are in addition to the requirements of this Section 4.2.

ARTICLE 5

ASSIGNMENT

5.1 Assignment by Manager. Manager shall have the right to assign its rights and obligations under this Agreement to any Person to whom Manager is permitted to assign its rights and obligations under the Management Agreement, in accordance with the provisions of the Management Agreement.

5.2 Assignment by Owner. This Agreement and all of Owner's rights and all of Owner's duties hereunder are freely assignable by Owner to any Person to whom Owner is permitted to assign its rights and duties under the Management Agreement, in accordance with the Management Agreement.

ARTICLE 6

INSURANCE AND INDEMNIFICATION

6.1 Insurance

(a) Insurance Policies. Manager, at Owner's expense, must provide and maintain the insurance coverages and requirements specified in Exhibit C, insuring Pre-Opening Services related to the Agreement, which shall be effective upon the commencement of Pre-Opening Services at the Site or the Airport. Owner, at its expense shall obtain and maintain the insurance policies required by the Brand Standards, which insurance policies shall be effective upon the Start of Construction. Any deductibles and self-insured retentions on referenced insurance coverages shall be reimbursed to Manager by Owner as a pre-opening cost and expense; provided, however, that to the extent Manager self-insures for Management/Professional Liability Insurance, Manager shall bear all risk of loss for any loss which would otherwise be covered by such insurance. The costs of Manager-purchased insurance (including the application of deductibles and self-insured retentions) shall be reimbursed to Manager by Owner as a pre-opening cost and expense based on a share of the total cost paid by Manager and its Affiliates, such share to be charged as an pre-opening expense to the Owner using the same methodology or formula as used to charge to other owners participating in the relevant policy, which methodology or formula may be modified from time to time in Manager's reasonable discretion so as to charge the costs related to the provision of insurance on a fair and equitable basis considering the factors that Manager deems most relevant.

(b) Evidence of Insurance. Manager (for insurance policies obtained through the third-party insurers) shall provide Owner with insurance certificates evidencing that the insurance policies comply with the requirements set forth in Exhibit C.

(c) Insurance Coverage. Notwithstanding anything to the contrary in this Agreement, the Parties shall look first to the appropriate insurance coverages in effect pursuant to this Agreement prior to seeking indemnification under Section 6.2 in the event any claim or liability occurs as a result of injury to persons or damage to property, regardless of the cause of such claim or liability; provided, however, if the insurance

company denies coverage or reserves rights as to coverage, then the Indemnified Parties shall have the right to seek indemnification, without first looking to such insurance coverage.

(d) The provisions of this Section 6.1 shall no longer be in effect from and after the Opening Date under the Management Agreement, at which time the insurance obligations in Section 9 of the Management Agreement shall be in effect.

6.2 Indemnification.

(a) Indemnification by Owner. Subject to Sections 6.1(c) and 6.2(c) hereof (and, to the extent Section 6.1(c) hereof no longer applies, Section 11(e) of the Management Agreement), Owner shall defend, indemnify, and hold harmless Manager and its Affiliates, and their respective shareholders, trustees, beneficiaries, directors, officers, employees and agents, and the successors and assigns of each of the foregoing (collectively, the "Manager Indemnified Parties") for, from and against any and all Claims that any Manager Indemnified Parties may have alleged against them, incur, become responsible for or pay out for any reason related to this Agreement, or the design, construction, development, operation, or ownership of the Hotel, excluding Claims covered by Manager's indemnity provisions pursuant to Section 6.2(b).

(b) Indemnification by Manager. Subject to Sections 6.1(c) and 6.2(c) hereof (and, to the extent Section 6.1(c) hereof no longer applies, and Section 10(d) of the Management Agreement), Manager shall defend, indemnify, and hold harmless Owner and its Affiliates, and their respective elected officials, commissioners, trustees, beneficiaries, directors, officers, employees and agents, and the successors and assigns of each of the foregoing (collectively, the "Owner Indemnified Parties") for, from and against any and all Claims that any Owner Indemnified Parties may have alleged against them, incur, become responsible for or pay out to the extent caused by Manager's Gross Negligence or Willful Misconduct.

(c) Indemnification Procedures. Any Indemnified Party shall be entitled, upon written notice to the Indemnifying Party, to the timely appointment of counsel by the Indemnifying Party for the defense of any Claim, which counsel shall be subject to the reasonable approval of the Indemnified Party. If, in the Indemnified Party's judgment, a conflict of interest exists between the Indemnified Party and the Indemnifying Party at any time during the defense of the Indemnified Party, the Indemnified Party may appoint independent counsel of its choice for the defense of the Indemnified Party as to such Claim. In addition, regardless of whether the Indemnified Party has appointed counsel or selects independent counsel (i) the Indemnified Party shall have the right to participate in the defense of any Claim and approve any proposed settlement of such Claim, and (ii) all reasonable costs and expenses (including attorneys' fees and costs) of the Indemnified Party shall be paid by the Indemnifying Party. If the Indemnifying Party fails to timely pay such costs and expenses (including attorneys' fees and costs), the Indemnified Party shall have the right, but not the obligation, to pay such amounts and be reimbursed by the Indemnifying Party for the same, together with interest thereon at 1.5% per month until paid in full. The Parties hereby acknowledge that it shall

not be a defense to a demand for indemnity that less than all Claims asserted against the Indemnified Party are subject to indemnification.

(d) Implied Indemnity. No Party or other person or entity shall be entitled to any equitable or implied indemnification at any time.

(e) To the extent the Owner fails or is unable to provide indemnification required hereby (for example, if such indemnities are not permitted by applicable Law) and there is inadequate insurance in place to cover Owner's indemnification obligations, any amounts constituting Claims shall be deemed to be Operating Expenses of the Hotel and paid prior to other payments described in Section 11(k) of the Management Agreement; provided, however, such amounts shall not be deemed Operating Expenses for the Hotel for purposes of calculating Hotel GOP or determining whether the Performance Test has been met.

(f) Survival. This Section 6.2 shall survive the expiration or any termination of this Agreement.

ARTICLE 7

DEFAULTS AND TERMINATIONS

7.1 Events of Default. The following actions or events shall constitute an "Event of Default" under this Agreement by the applicable Party:

(a) The failure of a Party (the "Defaulting Party") to pay to the other Party (the "Non-Defaulting Party") any sum which has become due and payable hereunder within ten (10) days after receipt by the Defaulting Party of a written notice from the Non-Defaulting Party specifying such failure;

(b) The failure by a Defaulting Party to perform, keep or fulfill any of the material terms, covenants, undertakings, obligations or conditions set forth in this Agreement other than those referred to in the foregoing paragraph (a), and the continuance of such failure for a period of thirty (30) days after receipt by the Defaulting Party of written notice thereof from the Non-Defaulting Party specifying such failure; or, in the event such failure is of a nature that it cannot, with due diligence and in good faith, be cured within thirty (30) days and such Defaulting Party fails to proceed promptly and with due diligence and in good faith to cure the same and thereafter to prosecute the curing of such failure with due diligence and in good faith (it being intended that, in connection with a failure not susceptible of being cured with diligence and in good faith within thirty (30) days the time of such Defaulting Party within which to cure the same shall be extended for such period as may be reasonably necessary for the curing thereof with due diligence and in good faith, but in no event shall such cure period be in excess of one hundred twenty (120) days);

(c) The Defaulting Party does any of the following and the action affects the other Party's ability to carry out the terms of this Agreement: (i) becomes insolvent, as the term is defined under Section 101 of the United States Bankruptcy Code as amended

from time to time; or (ii) fails to pay its debts generally as they mature; or (iii) seeks the benefit of any present or future federal, state or foreign insolvency statute; or (iv) makes a general assignment for the benefit of creditors; or (v) files a voluntary petition in bankruptcy or a petition or answer seeking an arrangement of its indebtedness under the United States Bankruptcy Code or under any other law or statute of the United States or of any State or any foreign jurisdiction; or (vi) consents to the appointment of a receiver, trustee, custodian, liquidator or other similar official, of all or substantially all of its property, which remains in effect for a period in excess of sixty (60) days;

(d) An order for relief is entered by or against the Defaulting Party under any chapter of the Bankruptcy Code or similar law in any foreign jurisdiction and is not stayed or vacated within sixty (60) days following its issuance;

(e) The occurrence and continuation of an Event of Default by Owner or by the Manager under the Management Agreement; or

(f) The occurrence and continuation of an Event of Default by Manager or Owner under the Technical Services Agreement.

With respect to a failure by Manager to perform, keep or fulfill any of the material terms, covenants, undertakings, obligations or conditions of Manager set forth in Section 4.1 of this Agreement, it is understood and agreed that the notice and cure period requirements set forth in Section 7.1(b) shall apply to such failures notwithstanding anything to the contrary in this Agreement or in the Management Agreement; provided, however, that if a provision of law or regulation applicable to the Owner (including, without limitation, federal grant assurances and other requirements of the FAA or the United States Department of Transportation) expressly provides that there is not a right to cure or a shorter period to cure a particular Event of Default, there will be no right to cure or the cure period will be the shorter period, as provided in such law or regulation.

7.2 Remedies for Event of Default.

(a) Subject to the terms of this Agreement, if any Event of Default shall have occurred, the Non-Defaulting Party shall have the right to (a) terminate this Agreement by providing notice to the Defaulting Party specifying a date, not earlier than five days or later than 30 days after providing such notice, and (b) exercise against the Defaulting Party any rights and remedies available to the Non-Defaulting Party under this Agreement or (subject to the provisions of this Agreement) at law or in equity.

(b) Notwithstanding Section 7.2(a) or anything to the contrary contained herein or in the other Hotel Agreements, Manager's liability hereunder shall be limited as follows:

(i) If an Event of Default by Manager does not arise from Manager's Negligence or Manager's Gross Negligence or Willful Misconduct, the Owner shall not be entitled to seek, recover or obtain any monetary damages from Manager or its Related Parties under this Agreement or the other Hotel Agreements, and in no event shall monetary damages be due or payable by Manager or its Related Parties.

(ii) With respect to Events of Default by Manager arising from Manager's Negligence (but not Manager's Gross Negligence or Willful Misconduct), Manager's cumulative liability under the Hotel Agreements shall be limited in the aggregate for all Events of Default under this Agreement and the other Hotel Agreements to the amount of actual damages incurred by Owner up to a maximum amount equal to the amount of Management Fees paid to Manager under the Management Agreement within the three (3) years preceding the date of notice of the applicable claim.

(iii) To the extent an Event of Default arises from Manager's Gross Negligence or Willful Misconduct, Manager's liability shall be limited to the actual damages incurred by Owner, but the amount of such actual damages is not limited hereby.

7.3 Cross-Termination with Other Hotel Agreements. Notwithstanding anything to the contrary in this Agreement, if the Management Agreement or the Technical Services Agreement expires or is terminated in accordance with its terms (other than by expiration of the Technical Services Agreement at the end of its term), then this Agreement shall terminate on the effective date of such expiration or termination, with no further action by the Parties. The Parties shall retain any remedies hereunder and thereunder as a result of an event of default under any of the Hotel Agreements.

7.4 Actions To Be Taken on Termination. The Parties shall take the following actions upon the expiration or termination of this Agreement:

(a) Usage of Trademarks or Identification with Brand or Manager. Neither Owner nor any Person acting for or on behalf of Owner shall identify the Hotel in any manner as a Brand hotel, or otherwise associate itself or the Hotel with the Brand or Manager or its Affiliates in any manner to the public. Owner shall take all steps reasonably requested by Manager to disassociate the Hotel and Owner from any such association, and within thirty days after such termination, return all Confidential Information to Manager.

(b) Payments Due on Termination. Any amounts to be paid hereunder, including, without limitation, the Procurement Services Fee and all expenses incurred by Manager prior to the date of any termination are payment obligations which shall survive termination of this Agreement.

(c) Survival. This Section 7.4 shall survive the expiration or termination of this Agreement for any reason.

ARTICLE 8

JURISDICTION AND VENUE

8.1 Submission to Jurisdiction. Any action or proceeding against the Parties relating in any way to this Agreement may be brought and enforced in the federal or state courts in the State of Illinois in the County of Cook, and each of the Parties hereby irrevocably submits to the jurisdiction of such courts with regard to any such action or proceeding, and irrevocably waives, to the fullest extent permitted by applicable law, any objection it may have now or hereafter have to the laying of venue of any such action or proceeding in such courts and any claim that any

such action or proceeding brought in any such court has been brought in an inconvenient forum. Service of process on Owner may be made, either by registered or certified mail addressed as provided for herein or by personal delivery, and the service of process on Manager may be made either by registered or certified mail addressed as provided for herein or by delivery to Manager's registered agent for service of process in the State of Illinois. If Manager is presented with a request for documents by any administrative agency or with a subpoena duces tecum regarding any documents which may be in its possession by reason of this Agreement (other than routine ordinary course of business-related requests or subpoenas), Manager shall give prompt notice to the General Counsel of Owner at the address set forth herein. Owner may contest such process by any means available to it before such records or documents are submitted to a court or other third party; provided, however, that Manager shall not be obligated to withhold such delivery beyond that time as may be ordered by the court or administrative agency, unless the subpoena or request is quashed or the time to produce is otherwise extended.

8.2 Claims and Disputes. The dispute resolution provisions set forth in Section 32 of the Management Agreement are hereby, by this reference, incorporated in this Agreement and made applicable to the resolution of disputes arising under this Agreement.

8.3 Limitation of Remedies. The terms and provisions of Section 31.11 (Limitation of Remedies) of the Management Agreement are hereby incorporated herein by reference, mutatis mutandis, and shall have the same force and effect as if fully set forth herein.

8.4 Survival and Severance. The provisions of this Article 8 are severable from the other provisions of this Agreement and shall survive and not be merged into any termination or expiration of this Agreement or any judgment or award entered in connection with any dispute, regardless of whether such dispute arises before or after termination or expiration of this Agreement, and regardless of whether the related mediation, arbitration or litigation proceedings occur before or after termination or expiration of this Agreement. If any part of this Article 8 is held to be unenforceable, it shall be severed and shall not affect any other part of this Article 8.

ARTICLE 9

REPRESENTATIONS AND WARRANTIES

9.1 Owner's Representations and Warranties. Owner represents and warrants to Manager as of the Effective Date that:

(a) Owner is a municipal corporation and body politic existing under the laws of the State of Illinois, and has the full right, power and authority to execute, deliver and perform its obligations under this Agreement. All necessary action has been taken to approve the execution, delivery and performance of this Agreement by Owner. Each party executing and delivering this Agreement on behalf of Owner and all documents to be executed and delivered on behalf of Owner in regard to the consummation of the transactions contemplated hereby has due and proper authority to execute and deliver those documents. To the best of Owner's knowledge, the transactions contemplated by this Agreement are not restrained or prohibited by any injunction, order or judgment rendered by any court or other governmental agency of competent jurisdiction. Neither

the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (i) conflict with or result in a breach of any other agreement or restriction to which Owner is a party or by which it is bound or (ii) to the best of Owner's knowledge, conflict with or result in the material breach or violation of any law, regulation, writ, injunction, or decree of any court or governmental body applicable to Owner. This Agreement and all documents executed and delivered by Owner in connection herewith shall constitute valid and binding obligations of Owner, enforceable in accordance with their terms, except as may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally.

(b) There is no pending nor, to the knowledge of Owner, has Owner received written notice threatening any litigation, claim or administrative proceeding against Owner which would materially and adversely affect the ability of Owner to perform its obligations hereunder.

9.2 Manager's Representations and Warranties. Manager represents and warrants to Owner as of the Effective Date that:

(a) Manager is duly organized and validly existing under the laws of the Delaware, is in good standing thereunder and under the laws of the State of Illinois, and has the full right, power and authority to execute, deliver and perform its obligations under this Agreement. All necessary corporate action has been taken to approve the execution, delivery and performance of this Agreement by Manager. Each party executing and delivering this Agreement on behalf of Manager and all documents to be executed and delivered on behalf of Manager in regard to the consummation of the transactions contemplated hereby has due and proper authority to execute and deliver those documents. To the best of Manager's knowledge, the transactions contemplated by this Agreement are not restrained or prohibited by any injunction, order or judgment rendered by any court or other governmental agency of competent jurisdiction.

(b) Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (i) conflict with or result in a breach of Manager's corporate bylaws, articles of incorporation or any agreement or restriction to which Manager is a party or by which it is bound or (ii) to the best of Manager's knowledge, conflict with or result in the material breach or violation of any law, regulation, writ, injunction, or decree of any court or governmental body applicable to Manager. This Agreement and all documents executed and delivered by Manager in connection herewith shall constitute valid and binding obligations of Manager, enforceable in accordance with their terms, except as may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally.

(c) There is no pending nor, to the knowledge of Manager, has Manager received written notice threatening, any litigation, claim, or administrative proceeding against Manager or any Affiliate of Manager, which would materially and adversely affect the ability of Manager to perform its obligations hereunder.

(d) As of the date hereof, Manager or its Affiliates operate or franchise all Brand Hotels in the United States.

9.3 Manager's Acknowledgments. Manager acknowledges that no member of the governing body of Owner or other unit of government and no other officer, employee or agent of Owner or other unit of government who exercises any functions or responsibilities in connection with this Agreement is permitted to have any personal interest, direct or indirect, in this Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of Owner or Owner employee is allowed to be admitted to any share or part of this Agreement or to any financial benefit to arise from it.

9.4 OWNER'S ACKNOWLEDGEMENTS. OWNER ACKNOWLEDGES AND CONFIRMS TO MANAGER THAT MANAGER HAS NOT MADE ANY PROMISES, REPRESENTATIONS, WARRANTIES OR GUARANTIES OF ANY KIND WHATSOEVER TO OWNER, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, AND NO PERSON IS AUTHORIZED TO MAKE ANY PROMISES, REPRESENTATIONS, WARRANTIES OR GUARANTIES ON BEHALF OF MANAGER, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT.

ARTICLE 10

RELATIONSHIP OF THE PARTIES

10.1 Owner hereby appoints Manager as its sole and exclusive agent to perform the Pre-Opening Services and to coordinate and administer the Procurement Services and F&B Technical Consulting Services pursuant to the Services Agreements for the Term, subject to, and in accordance with, the terms of this Agreement. The relationship between Owner and Manager shall be that of principal and agent with scope and authority provided and limited by the terms of this Agreement. Nothing in this Agreement shall be deemed or construed to render Owner and Manager partners, joint venturers, landlord/tenant, master-servant or any other relationship. The scope of Manager's authority, and duties as Owner's agent, are solely as set forth in this Agreement, and Owner and Manager both acknowledge and agree that the written terms of this Agreement are intended to define and satisfy any fiduciary or other common law duties that may exist as a result of the relationship between the parties, including, without limitation, all duties of loyalty, good faith, fair dealing or full disclosure that may be deemed to exist under common law principles of agency or otherwise (collectively, the "Implied Fiduciary Duties"). To the extent any Implied Fiduciary Duties are inconsistent with, or would have the effect of modifying, limiting or restricting, the express provisions of this Agreement, the terms of this Agreement prevail.

10.2 Accordingly, to the extent there is any inconsistency between the common law duties and responsibilities of principals and agents and the provisions of this Agreement, the provisions of this Agreement shall prevail, it being the intention of the Parties that (a) this Agreement shall be interpreted in accordance with general principles of contract interpretation without regard to the common law principles of agency (except as expressly provided for in this Agreement), (b) any liability between the Parties shall be based solely on principles of contract law and the express provisions of this Agreement, (c) the ability of either Party to develop other

hotels or to terminate this Agreement shall be based solely on the terms of this Agreement without regard to the common law principles of agency, and (d) this Article 10 constitutes a knowing and intentional waiver by Owner of any duties or responsibilities (including common law fiduciary duties) owed by an agent to its principal, and a waiver by Manager of any obligations of a principal to its agent, solely to the extent the same are inconsistent with, or would have the effect of modifying, limiting or restricting, the express provisions of this Agreement.

10.3 The Parties also hereby unconditionally and irrevocably waive and release any right, power or privilege either may have to claim or receive from the other Party any punitive, exemplary, statutory, or treble damages or any incidental or consequential damages with respect to any breach of the Implied Fiduciary Duties. Furthermore, Owner specifically consents to all transactions and conduct by Manager and its Affiliates described in this Agreement, including those set out below, and waives any Implied Fiduciary Duties which Manager may owe to Owner now, or which may arise in the future, in connection with such transactions or conduct. Without limitation of the foregoing:

(a) Except as provided in Section 28 of the Management Agreement, Manager and its Affiliates may establish or engage in any business of any kind or participate in any investment of any kind, whether using any of the Protected Name or Protected Marks or any of the other proprietary information of Manager, at any location, in Manager's sole discretion. Furthermore, subject to Section 28 of the Management Agreement, Manager and its Affiliates may exercise such rights even though these businesses or investments may directly or indirectly compete with the Hotel, with Owner or its Affiliates, or with any other business or investment of Owner or its Affiliates.

(b) Subject to Section 11.15 of this Agreement, but without limiting Section 2.6 and 2.7, Manager may elect to use the services of its Affiliates in fulfilling its obligations under this Agreement, as specifically described in this Agreement.

(c) Manager and its Affiliates may receive the fees, charges and reimbursements specifically described in this Agreement in connection with the provision of its services.

(d) Subject to Section 11.14 of this Agreement, Manager and its Affiliates may receive the payments, fees, commissions and reimbursements from vendors in connection with Manager's purchasing services described in this Agreement for the Hotel and for other properties operated, managed, licensed or owned by Manager or its Affiliates.

(e) Subject to Section 1.4 and Section 2.8 of this Agreement, Manager is permitted to use the funds in the Pre-Opening Account and Procurement Services Account for the purposes described in this Agreement (including payment to Manager or its Affiliates of all fees, charges and reimbursements described in this Agreement) which may be made in the order of priority determined by Manager in its sole discretion.

(f) Subject to Section 1.1 of this Agreement, Manager has the right to determine all Hotel Employee policies, including transferring Hotel Employees to other properties owned, operated or licensed by Manager from time to time.

(g) Owner acknowledges and agrees that its consent to the transactions and conduct by Manager described in this Agreement, including those specifically set out in Section 10.4, and its waiver of any Implied Fiduciary Duties otherwise owed by Manager: (i) has been obtained by Manager in good faith; (ii) is made knowingly by Owner based on its adequate informed judgment as a sophisticated party after seeking the advice of competent and informed counsel; and (iii) arises from Owner's knowledge and understanding based on advice of competent and informed counsel of the specific transactions and actions or inactions of operators that are normal, customary and reasonably expected in the hotel industry generally, and also arises from those specific transactions and actions or inactions of Manager that are normal, customary and reasonably expected by Owner under this Agreement.

Manager Initials	Owner Initials

ARTICLE 11

GENERAL

11.1 Governing Law. This Agreement shall be construed under the laws of the State of Illinois, without regard to any conflict of law principles.

11.2 Miscellaneous Instruments. Each Party shall further execute and deliver all such other appropriate supplemental agreements and other instruments and take such other action as may be necessary to make this Agreement fully and legally effective, binding and enforceable as between the Parties hereto as the other Party may reasonably request. Neither Party shall record this Agreement or any memorandum thereof.

11.3 Estoppel Certificates. Upon written request of either Party, the other Party shall, within thirty (30) days of such request, deliver to the requesting Party a statement certifying (a) that this Agreement is in full force and effect, (b) that the requesting Party has not breached its obligations hereunder (or, if such is not the case, that the requesting Party has breached its obligations and stating the nature of the breach and the date on which the certifying Party delivered notice of such alleged breach to the requesting Party); (c) the Effective Date; and (d) such other information as the requesting Party reasonably shall request.

11.4 Construction of this Agreement. The Parties intend that the following principles (and no others not consistent with them) be applied in construing and interpreting this Agreement:

(a) Claims Limited to Contract. Neither Party shall assert against the other Party any contractual claim arising out of this Agreement, unless the claim is based upon the terms of this Agreement and does not seek to vary, and is not in conflict with, those terms.

(b) Presumption Against a Party. The terms and provisions of this Agreement shall not be construed against or in favor of a Party hereto merely because such Party is the Manager hereunder or such Party or its counsel is the drafter of this Agreement.

(c) Severability. The invalidity or unenforceability of any particular provision, or part of any provision, of this Agreement shall not affect the other provisions or parts hereof and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions or parts were omitted.

(d) Certain Words and Phrases. All words in this Agreement shall be deemed to include any number or gender as the context or sense of this Agreement requires. The words "will," "shall," and "must" in this Agreement indicate a mandatory obligation. The use of the words "include," "includes," and "including" followed by one or more examples is intended to be illustrative and is not a limitation on the scope of the description or term for which the examples are provided. All dollar amounts set forth in this Agreement are stated in U.S. dollars, unless otherwise specified. The words "day" and "days" refer to calendar days unless otherwise stated. The words "month" and "months" refer to calendar months unless otherwise stated. The words "hereof", "hereto" and "herein" refer to this Agreement, and are not limited to the article, section, paragraph or clause in which such words are used.

(e) Headings. In this Agreement, any reference to a section or subsection is a reference to a section or subsection of this Agreement, unless otherwise specified. Any table of contents and any section and subsection headings are for convenience of reference only and in no way define, limit, describe or affect the scope or intent of any part of this Agreement.

(f) Entire Agreement. The Recitals set forth at the beginning of this Agreement and the Exhibits attached to this Agreement are hereby incorporated in and made a part of this Agreement. This Agreement and the other Hotel Agreements contain the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings with respect thereto. No other agreements, representations, warranties or other matters, whether oral or written, will be deemed to bind the Parties hereto with respect to the subject matter hereof.

(g) Third-Party Beneficiary. This Agreement shall not be construed as giving any person, other than the Parties hereto and their successors and permitted assigns, any legal or equitable right, remedy or claim under or in respect of this Agreement or any of the provisions herein contained, this Agreement and all provisions and conditions hereof being intended to be, and being, for the sole and exclusive benefit of such Parties and their successors and permitted assigns and for the benefit of no other person or entity.

(h) Time of the Essence. Time is of the essence for all purposes of this Agreement.

(i) Remedies Cumulative. Except as otherwise expressly provided in this Agreement, the remedies provided in this Agreement are cumulative and not exclusive of the remedies provided by Applicable Law, and a Party's exercise of any one or more remedies for any default shall not preclude the Party from exercising any other remedies at any other time for the same default.

(j) Written Amendments. This Agreement shall not be altered, modified or amended in whole or in part, except in a writing executed by each of the Parties hereto.

(k) Survival. Notwithstanding the termination of the Term or Manager's performance of its obligations in accordance with this Agreement, all terms, provisions and obligations of either Party contained herein, which in order to give them effect and accomplish their intent and purpose, need to survive such termination shall survive and continue until they have been fully satisfied or performed.

11.5 Use of Affiliates. Owner acknowledges and agrees that in performing its obligations under this Agreement, Manager may from time to time use the services of, or delegate some or all of its obligations, responsibilities, rights and/or benefits hereunder to, one or more of its Affiliates; provided, however, (i) Manager shall not be relieved of its obligations to Owner under this Agreement unless otherwise provided herein, and (ii) Owner shall not pay more for the Affiliate's services and expenses than Manager would have been entitled to receive under this Agreement had Manager performed such services or obligations.

11.6 Limitation of Liability. Notwithstanding anything herein to the contrary, Owner's liability under this Agreement shall be limited solely to its interest in (i) the Hotel, including the Improvements, the Site and amounts available from Gross Receipts, and the Hotel Accounts (including without limitation the FF&E Account), the Operating Reserve, and proceeds available from insurance policies carried pursuant to Hotel Agreements, to the extent available for such purpose, and (ii) the New Hotel (but only in the event that the Possible New Hotel Management Agreement is entered into by the Parties), including the Improvements, the Site and amounts available from Gross Receipts, the Hotel Accounts (including without limitation, the FF&E Account and the Operating Reserve) (as such terms are defined in the Possible New Hotel Management Agreement), and proceeds available from insurance policies carried pursuant to the Hotel Agreements for the New Hotel, to the extent available for such purpose (collectively, the "Owner Collateral"), and Manager shall not seek a personal judgment against Owner (except to the extent necessary to realize against the Owner Collateral) or seek to obtain a lien, levy, attachment or other charge upon any other properties or assets of Owner to enforce any claim or award for the default by Owner of its representations, warranties, covenants or other undertakings under this Agreement or the other Hotel Agreements, except as otherwise set forth herein or in the Management Agreement and except for Owner's obligation to pay Manager upon a termination as set forth in Section 7.4. No officer, director, employee or agent of Owner or Manager or its Affiliates, nor any of their respective heirs, administrators, executors, personal representatives, successors and assigns, shall have any personal liability or other personal obligation to with respect to any payment, performance or observance of any amount, obligation,

or liability to be paid, performed or observed under this Agreement or any of the representations, warranties, covenants, indemnifications or other undertakings of Owner or Manager (as applicable) hereunder. Neither Manager nor its Affiliates shall seek to obtain a money judgment against any officer, director, employee or agent of Owner, or against any of their respective heirs, administrators, executors, personal representatives, successors or assigns. This Section 11.6 shall survive the expiration or any termination of this Agreement. The limitations set forth in this Section 11.6 shall not be applicable in the event Manager is attempting to satisfy a judgment resulting from a claim against Owner that Manager has proven, in a court of competent jurisdiction, resulted from fraud or willful misconduct of Owner.

11.7 Waivers. Except as set forth in Section 8.4 of this Agreement, a failure by either Party to take any action with respect to any default or violation by the other of any of the terms, covenants, or conditions of this Agreement shall not in any respect limit, prejudice, diminish, or constitute a waiver of any rights of such Party to act with respect to any prior, contemporaneous, or subsequent violation or default or with respect to any continuation or repetition of the original violation or default.

11.8 Notices. Any notices or other communications pertaining to this Agreement must be in writing and are deemed to have been given by a party if sent by nationally recognized commercial overnight courier or registered or certified mail, return receipt requested, postage prepaid and addressed to the other party. Notices are deemed given on the date of receipt if by personal service, or one (1) day after deposit with a nationally recognized commercial overnight courier, three (3) days after deposit in the U.S. mails sent by certified mail, return receipt requested, postage prepaid, or otherwise upon refusal of receipt. Unless otherwise directed by Manager in writing, all notices or communications from City to Manager will be sent to Manager's notice address as set forth in this Agreement. All notices or communications from Manager to the City must be addressed to:

If to Manager:

Hilton Management LLC
7930 Jones Branch Drive
McLean, Virginia 22102
Attn: General Counsel

With a copy to:

Hilton Chicago O'Hare
O'Hare International Airport
Chicago, Illinois 60666
Attn: General Manager

If to Owner:

Commissioner of Department of Aviation
City of Chicago
Department of Aviation
10510 West Zemke Road
Chicago, Illinois 60666

and with copies to:

Commissioner of Department of Aviation
City of Chicago
Department of Aviation
10510 West Zemke Road
Chicago, Illinois 60666
Attention: First Deputy Commissioner

and

City of Chicago, Department of Law
Aviation, Environmental, Regulatory and Contracts Division
30 North LaSalle Street, Suite 1400
Chicago, Illinois 60602
Attn: Deputy Corporation Counsel

If the notice or communication relates to payments to the City or relates to the insurance requirements, a copy must be sent to:

City Comptroller
City of Chicago
City Hall - Room 501
121 N. LaSalle Street
Chicago, Illinois 60602

Either Party hereto may change the address for notices hereunder by giving notice of such change to the other Party hereto in the manner hereinabove provided. If requested by Owner and if Manager is given the name and address of any mortgagee, trustee or bondholder, it will give copies of all notices given to Owner to such persons, in the manner set forth in this Section 11.7.

11.9 Owner's Representative. Owner, for itself and all of its principals, shall designate an individual to act as representative for Owner and its principals ("Owner's Representative"), and Manager shall have the right to rely on all actions by, and communications with, Owner's Representative as binding on Owner and its principals. Owner shall provide to Manager the name, address, telephone and fax numbers, email address and other relevant contact information for the Owner's Representative as of the Effective Date and within 10 days of any change thereto.

11.10 Further Assurances. Owner and Manager shall do and cause to be done all acts, and execute and deliver all documents and instruments, reasonably necessary for each of them to perform their respective obligations under, and to give effect to the transactions contemplated by, this Agreement.

11.11 Force Majeure. In the event of a Force Majeure, the obligations of the Parties and the time period for the performance of such obligations (other than an obligation to pay any amount hereunder) shall be extended for each day that such Party is prevented, hindered or delayed in such performance during the period of such Force Majeure, except as expressly provided otherwise in this Agreement.

11.12 Counterparts; Facsimile and Electronic Execution. This Agreement may be executed in any number of counterparts which, taken together, shall constitute one and the same agreement. This Agreement shall be effective when it has been executed by each Party and delivered to all Parties. To evidence the fact that it has executed this Agreement, a Party may send a copy of its executed counterpart to the other Party by facsimile or electronic transmission. Such Party shall be deemed to have executed and delivered this Agreement on the date it sent such facsimile or electronic transmission. In such event, such Party shall forthwith deliver to the other Party an original counterpart of this Agreement executed by such Party.

11.13 Illinois Freedom of Information Act.

(a) In connection with this Agreement, Manager will deliver to Owner certain information and materials which contain Manager's proprietary, privileged and/or confidential information (the "Delivered Materials"). In addition, certain of the terms of this Agreement contain proprietary, privileged and/or confidential information. Disclosure of the Delivered Materials or such terms of this Agreement would cause competitive harm to Manager.

(b) To the extent that the Delivered Materials or the terms of this Agreement constitute "trade secrets" or "commercial or financial information" under the Illinois Freedom of Information Act (5 ILCS 140), as amended ("IL FOIA") or any similar applicable law or regulation, then such Delivered Materials and such terms of this Agreement shall be maintained by Owner as confidential, and Owner will not disclose such information to any Persons other than the attorneys, accountants, financial advisors, consultants, bond underwriters or insurers, rating agencies, auditors and employees of Owner (the "ORD Persons"). Owner agrees to inform the ORD Persons that the Delivered Materials and the terms of this Agreement are subject to the provisions of this Section and to use good faith efforts to ensure the ORD Persons treat the Delivered Materials and the terms of this Agreement confidentially and in accordance this Section.

(c) If any Person files a request under IL FOIA or any similar applicable law for any Delivered Materials or the terms of this Agreement or the Management Agreement ("Requested Information"), Owner will promptly, and in any event not more than three (3) Business days following receipt of the request, notify Manager of the request and allow Manager a period of at least five Business days (the "Manager Review Period") within which to object to Owner, and any other relevant judicial or

administrative body, to the disclosure of any of the Requested Information. If, following receipt of Manager's objection to the release of the Requested Information (or expiration of the Manager Review Period), Owner reasonably determines that the Requested Information is exempt from disclosure pursuant to IL FOIA or any similar applicable law or regulation, Owner will promptly, and in any event, within the time limits mandated under IL FOIA, assert such exemption from disclosure and decline to provide such Requested Information. If, following receipt of Manager's objection to the release of the Requested Information (or expiration of the Manager Review Period), Owner reasonably determines that any of the Requested Information is not exempt from disclosure pursuant to IL FOIA or any similar applicable law or regulation, Owner will promptly notify Manager of such determination, and will refrain from making such disclosure for not less than five (5) Business days following notice to Manager in order to afford Manager an opportunity to seek an injunction or other appropriate remedy if Manager believes that Owner's determination is erroneous. In no event, however, will Owner be obligated to withhold delivery beyond the time allowed for such response by IL FOIA, unless the request is quashed or the time to produce is otherwise extended.

11.14 Centralized Purchasing. The terms and conditions of Section 8.2.5 (Centralized Purchasing) of the Management Agreement are hereby incorporated into this Agreement, *mutadis mutandis*, subject to Section 2.7 hereof.

11.15 Services by Affiliates. The terms and conditions of Section 8.2.6 (Services by Affiliates) of the Management Agreement are hereby incorporated into this Agreement, *mutadis mutandis*, subject to Section 2.7 hereof.

11.16 Confidentiality. The terms and conditions of Section 31.17 (Confidentiality) of the Management Agreement are hereby incorporated into this Agreement, *mutadis mutandis*.

No further text on this page; signature pages follow.

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement as of the Effective Date.

OWNER:

CITY OF CHICAGO, a municipal corporation, home rule unit of local government and political subdivision of the State of Illinois

By:_____

Name:_____

Title:_____

MANAGER:

HILTON MANAGEMENT LLC, a Delaware limited liability company

By: Hilton Domestic Operating Company Inc., as "Operator"

By:_____

Name:_____

Title:_____

EXHIBIT A

Legal Description of the Premises

Legal Description - Parcel 1

That part of Sections 7 and 8, Township 40 North, Range 12 East of the Third Principal Meridian, described as follows: Commencing at the Northwest corner of Section 9, Township 40 North, Range 12 East of the Third Principal Meridian; thence South 88 degrees 07 minutes 05 seconds West 3358.469 feet along the Westerly extension of the North line of the Northwest 1/4 of said Section 9; thence South 53 degrees 59 minutes 13 seconds West 1763.78 feet to the point of beginning of the herein described property, said point being South 21,423.94 feet and East 20,042.65 feet (being coordinates as defined in the Ordinance passed by the City Council of Chicago on July 11, 1957); thence Northwesterly 713.19 feet along the arc of a circle of 1067.544 feet radius convex to the Northeast whose chord bears North 55 degrees 09 minutes 06 seconds West to a point which is South 21,023.96 feet and East 19,468.19 feet; thence North 15 degrees 42 minutes 35 seconds East 70.00 feet to a point which is South 20,956.57 feet and East 19,487.14 feet; thence Southeasterly 759.95 feet along the arc of a circle of 1137.544 feet radius convex to the Northeast whose chord bears South 55 degrees 09 minutes 06 seconds East to a point which is South 21,382.78 feet and East 20,099.28 feet; thence South 53 degrees 59 minutes 13 seconds West 70.00 feet to the herein designated point of beginning, all in Chicago O'Hare International Airport, in Cook County, Illinois.

Legal Description - Parcel 2

That part of Sections 7 and 8, Township 40 North, Range 12 East of the Third Principal Meridian, described as follows: Commencing at the Northwest corner of Section 9, Township 40 North, Range 12 East of the Third Principal Meridian; thence South 88 degrees 07 minutes 05 seconds West 3358.469 feet along the Westerly extension of the North line of the Northwest 1/4 of said Section 9; thence South 53 degrees 59 minutes 13 seconds West 1693.178 feet to the point of beginning of the herein described property, said point being South 21,382.78 feet and East 20,099.28 feet (being coordinates as defined in the Ordinance passed by the City Council of Chicago on July 11, 1957); thence Northwesterly 759.95 feet along the arc of a circle of 1137.544 feet radius convex to the Northeast whose chord bears North 55 degrees 09 minutes 06 seconds West to a point which is South 20,956.57 feet and East 19487.14 feet; thence North 15 degrees 42 minutes 35 seconds East 24.00 feet to a point which is South 20,933.47 feet and East 19,493.64 feet; thence Southeasterly 775.99 feet along the arc of a circle of 1161.544 feet radius convex to the Northeast whose chord bears South 55 degrees 09 minutes 06 seconds East to a point which is South 21,368.67 feet and East 20,118.69 feet; thence South 53 degrees 59 minutes 13 seconds West 24.00 feet to the herein designated point of beginning, all in Chicago O'Hare International Airport, in Cook County, Illinois.

Legal Description - Parcel 3

That part of Section 8, Township 40 North, Range 12 East of the Third Principal Meridian, described as follows: Commencing at the Northwest corner of Section 9, Township 40 North, Range 12 East of the Third Principal Meridian; thence South 88 degrees 07 minutes 05 seconds West 3358.469 feet along the Westerly extension of the North line of the Northwest 1/4 of said Section 9; thence South 53 degrees 59 minutes 13 seconds West 1763.178 feet to the point of beginning of the herein described property, said point being South 21,423.94 feet and East 20,042.65 feet (being coordinates as defined in the Ordinance passed by the City Council of Chicago on July 11, 1957); thence South 34 degrees 50 minutes 54 seconds West 139.14 feet to a point which is South 21,538.13 feet and East 19,963.15 feet; thence North 55 degrees 09 minutes 06 seconds West 211.25 feet to a point which is South 21,417.42 feet and East 19,789.78 feet; thence North 34 degrees 50 minutes 54 seconds East 189.08 feet to a point which is South 21,262.24 feet and East 19,897.83 feet; thence Southeasterly 217.45 feet along the arc of a circle of 1067.544 feet radius convex to the Northeast whose chord bears South 41 degrees 50 minutes 54 seconds East to the herein designated point of beginning, all in Chicago O'Hare International Airport, in Cook County, Illinois.

Legal Description - Parcel 4

That part of Sections 7 and 8, Township 40 North, Range 12 East of the Third Principal Meridian, described as follows: Commencing at the Northwest corner of Section 9, Township 40 North, Range 12 East of the Third Principal Meridian; thence South 88 degrees 07 minutes 05 seconds West 3358.469 feet along the Westerly extension of the North line of the Northwest 1/4 of said Section 9; thence South 53 degrees 59 minutes 13 seconds West 1763.178 feet to a point which is South 21,423.94 feet and East 20,042.65 feet (being coordinates as defined in the Ordinance passed by the City Council of Chicago on July 11, 1957); thence Northwesterly 495.74 feet along the arc of a circle of 1067.544 feet radius convex to the Northeast whose chord bears North 49 degrees 19 minutes 03 seconds West to the point of beginning of the herein described property, said point being South 21, 103.68 feet and East 19,670.09 feet; thence South 34 degrees 50 minutes 54 seconds West 189.08 feet to a point which is South 21,258.85 feet and East 19,562.05 feet; thence North 55 degrees 09 minutes 06 seconds West 211.25 feet to a point which is South 21,138.14 feet and East 19,388.68 feet; thence North 34 degrees 50 minutes 54 seconds East 139.14 feet to a point which is South 21,023.96 feet and East 19,468.19 feet; thence Southeasterly 217.45 feet along an arc of said circle of 1067.544 feet radius convex to the Northeast whose chord bears South 68 degrees 27 minutes 18 seconds East to the herein designated point of beginning, all in Chicago O'Hare International Airport, in Cook County, Illinois.

Legal Description - Parcel 5

That part of Section 8, Township 40 North, Range 12 East of the Third Principal Meridian, described as follows: Commencing at the Northwest corner of Section 9, Township 40 North, Range 12 East of the Third Principal Meridian; thence South 88 degrees 07 minutes 05 seconds West 3358.469 feet along the Westerly extension of the North line of the Northwest 1/4 of said Section 9; thence South 53 degrees 59 minutes 13 seconds West 1763.178 feet to a point which is South 21,423.94 feet and East 20,042.65 feet (being coordinates as defined in the Ordinance passed by the City Council of Chicago on July 11, 1957); thence Northwesterly 217.45 feet along the arc of a circle of 1067.544 feet radius convex to the Northeast whose chord bears North 41 degrees 50 minutes 54 seconds West to the point of beginning of the herein described property, said point being South 21,262.24 feet and East 19,897.83 feet; thence North 55 degrees 09 minutes 06 seconds West 277.50 feet to a point which is South 21,103.68 feet and East 19,670.09 feet; thence Southeasterly 278.29 feet along an arc of said circle of 1067.544 feet radius convex to the Northeast whose chord bears South 55 degrees 09 minutes 06 seconds East to the herein designated point of beginning, all in Chicago O'Hare International Airport, in Cook County, Illinois.

EXHIBIT B

MAP OF SOCIO-ECONOMICALLY DISADVANTAGED AREAS

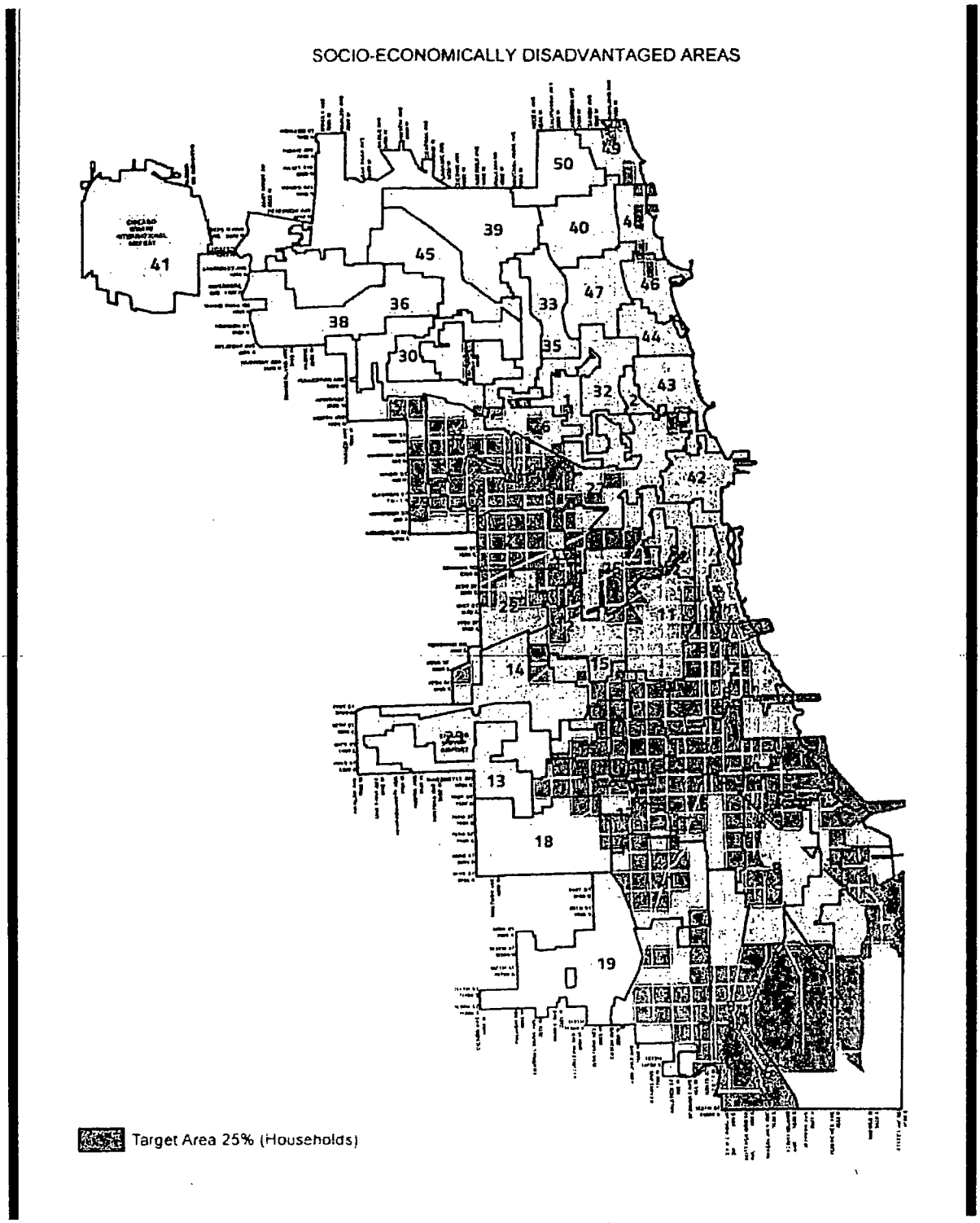


EXHIBIT C

INSURANCE REQUIREMENTS

Chicago Department of Aviation
O'Hare Airport
Pre-Opening and Related Services

A. INSURANCE REQUIRED

Manager must provide the insurance coverages and requirements specified below, insuring all Pre-Opening Services related to the Agreement, during the period set forth in Section 6.1 of the Agreement.

1) Workers Compensation and Employer's Liability (Primary and Umbrella)

Workers Compensation Insurance, as prescribed by applicable law covering all employees of Manager who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than $1,000,000 each accident; $1,000,000 disease-policy limit; and $1,000,000 disease-each employee, or the full per occurrence limits of the policy, whichever is greater. Coverage shall include other state endorsement, voluntary compensation and alternate employer, when applicable.

Manager may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

2) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent must be maintained with limits of not less than $1,000,000 per occurrence, or the full per occurrence limits of the policy, whichever is greater, for bodily injury, personal injury, advertising injury, and property damage liability. Coverages must include, but not be limited to, the following: All premises and operations, products/completed operations, separation of insureds, defense, and contractual liability (not to include Endorsement CG 21 39 or equivalent).

The City and other entities as required by the City must be provided additional insured status with respect to liability arising out of Manager's work, services or operations. Such additional insured status shall be at least as broad as that afforded the named insured or the Manager. The City's additional insured status must apply to liability and defense of suits arising out of the performance of the Pre-Opening Services, whether such liability is attributable to the Manager or to the City. The full policy limits and scope of

protection also will apply to the City as an additional insured, even if they exceed the City's minimum limits required herein. Manager's liability insurance must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

Manager may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

3) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work, services or operations to be performed, the Manager must provide Automobile Liability Insurance with limits of not less than $1,000,000 per occurrence, or the full per occurrence limits of the policy, whichever is greater, for bodily injury and property damage. The City is to be added as an additional insureds on a primary, non-contributory basis.

Manager may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

4) Excess/Umbrella

Excess/Umbrella Liability Insurance must be maintained with limits of not less than $4,000,000 per occurrence, or the full per occurrence limits of the policy, whichever is greater. The policy/policies must provide the same coverages/follow form as the underlying Commercial General Liability, Automobile Liability, Employers Liability, and Completed Operations coverage required herein and expressly provide that the excess or umbrella policy/policies will drop down over reduced and/or exhausted aggregate limit, if any, of the underlying insurance. The Excess/Umbrella policy/policies must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

Manager may use a combination of primary and excess/umbrella policies to satisfy the limits of liability required in sections A.1, A.2, A.3, A.4, A.5 and A.6 herein.

5) Management/Professional Liability

Management/Professional Liability Insurance must be maintained covering acts, errors, or omissions with limits of not less than $5,000,000 related to Manager's work, services or operations in connection with this Agreement. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work under this the

Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

Manager may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

Manager may self-insure for Management/Professional Liability Insurance in lieu of obtaining coverage from a third party insurer.

6) Property/Installation Floater

Manager must provide or cause to be provided All Risk Property Insurance/Installation Floater, at replacement cost, covering all loss, damage or destruction of the procurement, delivery, warehousing, and installation of the FF&E/OS&E or any other property in Manager's care, custody and control required to fully furnish/equip the Hotels. Coverage must include but not be limited to in-transit, off-site, faulty workmanship or materials, testing and mechanical-electrical breakdown. The City of Chicago is to be named as additional insured and loss payee.

B. Additional Requirements

Manager must furnish the City, Chicago Department of Aviation, 10510 W. Zemke Rd, Chicago, IL 60666, original certificates of insurance and additional insured endorsement, or other evidence of insurance, to be in force on the date of this Agreement, and renewal certificates of Insurance and endorsement, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. Manager must submit evidence of insurance prior to execution of Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of Agreement. The failure of the City to obtain, nor the City's receipt of, or failure to object to a non-complying insurance certificate, endorsement or other insurance evidence from Manager, its insurance broker(s) and/or insurer(s) will not be construed as a waiver by the City of any of the required insurance provisions. Manager must advise all insurers of the Agreement provisions regarding insurance. The City in no way warrants that the insurance required herein is sufficient to protect Manager for liabilities which may arise from or relate to the Agreement. The City may review the certified copies of any required insurance policies at a mutually agreeable location any time upon reasonable request.

Failure to Maintain Insurance. Failure of the Manager to comply with the required coverage and terms and conditions herein will not limit Manager's liability or responsibility nor does it relieve Manager of the obligation to provide insurance as specified in this Agreement. Nonfulfillment of

the insurance conditions may constitute a violation of the Agreement, and the City retains the right to suspend this Agreement until proper evidence of insurance is provided, or the Agreement may be terminated.

Notice of Material Change, Cancellation or Non-Renewal. Manager must provide for sixty (60) days prior written notice to be given to the City in the event coverage is substantially changed, canceled or non-renewed and ten (10) days prior written notice for non-payment of premium.

Waiver of Subrogation. Manager hereby waives its rights and its insurer(s)' rights of and agrees to require their insurers to waive their rights of subrogation against the City under all required insurance herein for any loss arising from or relating to this Agreement. Manager agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City received a waiver of subrogation endorsement for Manager's insurer(s).

Manager's Insurance Primary. All insurance required of Manager under this Agreement shall state that Manager's insurance policy is primary and not contributory with any insurance carrier by the City.

No Limitation as to Manager's Liabilities. The coverages and limits furnished by Manager in no way limit the Manager's liabilities and responsibilities specified within the Agreement or by law.

No Contribution by City. Any insurance or self-insurance programs maintained by the City do not contribute with insurance provided by Manager under this Agreement.

Insurance not Limited by Indemnification. The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

Insurance and Limits Maintained. If Manager maintains higher limits and/or broader coverage than the minimums shown herein, the City requires and shall be entitled the higher limits and/or broader coverage maintained by Manager. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Joint Venture or Limited Liability Company. If Manager is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

Other Insurance obtained by Manager. If Manager desires additional coverages, the Manager will be responsible for the acquisition and cost.

Insurance required of Contractors and Subcontractors. Manager shall require each Contractor and each Subcontractor to provide and maintain Commercial General Liability, Commercial Automobile Liability, Worker's Compensation and Employers Liability Insurance and when

applicable Excess/Umbrella Liability Insurance with commercially reasonable coverage. The limits of coverage will be determined by Manager but shall be not less than $5,000,000 per occurrence for access to the airfield. Manager shall determine if Contractor(s) and Subcontractor(s) must also provide any additional coverage or other coverage outlined in Section A, Insurance Required. Manager is responsible for ensuring that each Subcontractor has named the City as an additional insured where required on an additional insured endorsement form acceptable to the City. Manager is also responsible for ensuring that each Contractor and each Subcontractor has complied with the required coverage and terms and conditions outlined in this Section B, Additional Requirements. When requested by the City, Manager must provide to the City certificates of insurance and additional insured endorsements or other evidence of insurance. The City reserves the right to obtain complete, certified copies of any required insurance policies at any time. Failure of the Contractor(s) or Subcontractor(s) to comply with required coverage and terms and conditions outlined herein will not limit Manager's liability or responsibility.

City's Right to Modify. Notwithstanding any provisions in the Agreement to the contrary, the City, Department of Finance, Risk Management Office maintains the right to modify, delete, alter or change these requirements, subject to Manager's prior written approval, not to be unreasonably withheld, unless required by Legal Requirements or by Owner's Lender.

EXHIBIT D TO PRE-OPENING SERVICES AGREEMENT

Special Conditions for Professional Services MBE & WBE

CITY OF CHICAGO
Department of Procurement Services
Jamie L. Rhee, Chief Procurement Officer
121 North LaSalle Street, Room 806
Chicago, Illinois 60602-1284

Fax: 312-744-3281

MBE & WBE SPECIAL CONDITIONS FOR SERVICES CONTRACTS

ARTICLE 1. SPECIAL CONDITIONS REGARDING MINORITY BUSINESS ENTERPRISE COMMITMENT AND WOMEN BUSINESS ENTERPRISE COMMITMENT FOR COMMODITIES OR SERVICES

1.1. **Policy and Terms**

It is the policy of the City of Chicago that Local Businesses certified as Minority Owned Business Enterprises (MBE) and Women Owned Business Enterprises (WBE) in accordance with Section 2-92-420 et seq. of the Municipal Code of Chicago and Regulations Governing Certification of Minority and Women-owned Businesses and all other Regulations promulgated under the aforementioned sections of the Municipal Code, as well as MBEs and WBEs certified by Cook County, Illinois, will have full and fair opportunities to participate fully in the performance of this contract. Therefore, the Contractor will not discriminate against any person or business on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status or source of income and will take affirmative action to ensure that women and minority businesses will have the maximum opportunity to compete for and perform subcontracts for supplies or services.

Pursuant to Section 2-92-430 of the Municipal Code of Chicago, the Chief Procurement Officer has established a goal of awarding not less than 25% of the annual dollar value of all non-construction contracts to certified MBEs and 5% of the annual dollar value of all non-construction contracts to certified WBEs.

Accordingly, the Contractor commits to make Good Faith Efforts to expend at least the following percentages of the total contract price (inclusive of any and all modifications and amendments), if awarded, for contract participation by MBEs and WBEs:

MBE Percentage	WBE Percentage
25%	5%

(See Form *"Bidders Commitment to Utilize MBE and WBE Firms on No Stated Goals Contract"* for Contract Specific Goals in the case of a contract subject to a bid preference pursuant to MCC 2-92-525.)

This commitment is met by the Contractor's status as a MBE or WBE, or by a joint venture with one or more MBEs or WBEs as prime contractor (to the extent of the MBE or WBE participation in such joint venture), or by subcontracting a portion of the work to one or more MBEs or WBEs, or by the purchase of materials used in the performance of the contract from one or more MBEs or WBEs, or by any combination of the foregoing.

Note: MBE/WBE participation goals are separate and those businesses certified with the City of Chicago as both MBE and WBE may only be listed on a bidder's compliance plan as either a MBE or a WBE, but not both to demonstrate compliance with the Contract Specific Goals.

The Contractor also may meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in private sector contracts.

Pursuant to MCC 2-92-535, the prime contractor may apply be awarded an additional 0.5 percent credit, up to a maximum of a total of 5 percent additional credit, for every 1 percent of the value of a contract self-performed by MBEs or WBEs, or combination thereof, that have entered into a mentoring agreement with the contractor or subcontractor-to-subcontractor mentoring agreement. This up to 5% may be applied to the Contract Specific Goals, or it may be in addition to the Contract Specific Goals.

1.2. **Definitions**

"Area of Specialty" means the description of an MBE or WBE firm's business which has been determined by the Chief Procurement Officer to be most reflective of the MBE or WBE firm's claimed specialty or expertise. Each MBE/WBE letter of certification contains a description of the firm's Area of Specialty. This information is also contained in the Directory (defined below). Credit toward this Contract's MBE and WBE participation goals shall be limited to the participation of firms performing within their Area of Specialty.

> **NOTICE:** *The City of Chicago does not make any representation concerning the ability of any MBE/WBE to perform work within their Area of Specialty. It is the responsibility of all contractors to determine the capability and capacity of MBEs/WBEs to satisfactorily perform the work proposed.*

"Bid" means a bid, proposal, or submittal detailing a description of the services or work to be provided by the contractor in response to a bid solicitation, request for proposal, request for qualification of task order request (issued in accordance with the Master Consulting Agreement) that is issued by the City.

"Bidder" means any person or business entity that submits a bid, proposal, qualification or submittal that seeks to enter into a contract with the City, and includes all partners, affiliates and joint ventures of such person or entity.

"Broker" means a person or entity that fills orders by purchasing or receiving supplies from a third party supplier rather than out of its own existing inventory and provides no commercially useful function other than acting as a conduit between his or her supplier and his or her customer.

"Chief Procurement Officer" or "CPO" means the chief procurement officer of the City of Chicago or his or her designee.

"Commercially Useful Function" means responsibility for the execution of a distinct element of the work of the contract, which is carried out by actually performing, managing, and supervising the work involved, evidencing the responsibilities and risks of a business owner such as negotiating the terms of (sub)contracts, taking on a financial risk commensurate with the contract or its subcontract, responsibility for acquiring the appropriate lines of credit and/or loans, or fulfilling responsibilities as a joint venture partner as described in the joint venture agreement.

"Contract Specific Goals" means the subcontracting goals for MBE and WBE participation established for a particular contract. In the case of a contract subject to the bid incentive set forth in MCC 2-92-525, "Contract Specific Goals" means the utilization percentage for MBEs or WBEs to which contractor committed with its bid.

"Contractor" means any person or business entity that has entered into a contract with the City as described herein, and includes all partners, affiliates, and joint ventures of such person or entity.

"Direct Participation" the value of payments made to MBE or WBE firms for work that is performed in their Area of Specialty directly related to the performance of the subject matter of the Contract will count as Direct Participation toward the Contract Specific Goals.

"Directory" means the Directory of Certified "Minority Business Enterprises" and "Women Business Enterprises" maintained and published by the City of Chicago. The Directory identifies firms that have been certified as MBEs and WBEs, and includes both the date of their last certification and the area of specialty in which they have been certified. Contractors are responsible for verifying the current certification status of all proposed MBE, and WBE firms.

"Good Faith Efforts" means actions undertaken by a bidder or contractor to achieve a Contract Specific Goal that the CPO or his or her designee has determined, by their scope, intensity, and appropriateness to the objective, can reasonably be expected to fulfill the program's requirements.

"Indirect Participation" refers to the value of payments made to MBE or WBE firms for work that is done in their Area of Specialty related to other aspects of the Contractor's business. (Note: no dollar of such indirect MBE or WBE participation shall be considered in a Good Faith Efforts determination more than once against a contractor's MBE or WBE commitment with respect to all government contracts held by that contractor.)

"Joint venture" means an association of a MBE or WBE firm and one or more other firms to carry out a single, for-profit business enterprise, for which each joint venture partner contributes property, capital, efforts, skills and knowledge, and in which the MBE or WBE is responsible for a distinct, clearly defined portion of the work of the contract and whose share in the capital contribution, control, management, risks, and profits of the joint venture are commensurate with its ownership interest.

"Mentor-Protégé Agreement" means an agreement between a prime and MBE or WBE subcontractor ("Mentoring Agreement"), or an agreement between a prime's subcontractor and MBE or WBE subcontractor ("Subcontractor-to-Subcontractor Mentoring Agreement"), pursuant to MCC 2-92-535, that is approved by the City of Chicago and complies with all requirements of MCC 2-92-535 and any rules and regulations promulgated by the Chief Procurement Officer.

"Minority Owned Business Enterprise" or **"MBE"** means a firm awarded certification as a minority owned and controlled business in accordance with City Ordinances and Regulations as well as a firm awarded certification as a minority owned and controlled business by Cook County, Illinois. However, it does not mean a firm that has been found ineligible or which has been decertified by the City or Cook County.

"Municipal Code of Chicago" or **"MCC"** means the Municipal Code of the City of Chicago.

"Supplier" or **"Distributor"** refers to a company that owns, operates, or maintains a store, warehouse or other establishment in which materials, supplies, articles or equipment are bought, kept in stock and regularly sold or leased to the public in the usual course of business. A regular distributor or supplier is a firm that owns, operates, or maintains a store, warehouse, or other establishment in which the materials or supplies required for performance of a contract are bought, kept in stock, and regularly sold to the public in the usual course of business. To be a regular distributor the firm must engage in, as its principal business and in its own name, the purchase and sale of the products in question. A regular distributor in such bulk items as steel, cement, gravel, stone, and petroleum products need not keep such products in stock if it owns or operates distribution equipment.

"Women Owned Business Enterprise" or **"WBE"** means a firm awarded certification as a women owned and controlled business in accordance with City Ordinances and Regulations as well as a firm awarded certification as a women owned business by Cook County, Illinois. However, it does not mean a firm that has been found ineligible or which has been decertified by the City or Cook County

1.3 **Joint Ventures**

The formation of joint ventures to provide MBEs and WBEs with capacity and experience at the prime contracting level, and thereby meet Contract Specific Goals (in whole or in part) is encouraged. A joint venture may consist of any combination of MBEs, WBEs, and non-certified firms as long as one member is an MBE or WBE.

a The joint venture may be eligible for credit towards the Contract Specific Goals only if:

i. The MBE or WBE joint venture partner's share in the capital contribution, control, management, risks and profits of the joint venture is equal to its ownership interest;

ii. The MBE or WBE joint venture partner is responsible for a distinct, clearly defined portion of the requirements of the contract for which it is at risk;

iii. Each joint venture partner executes the bid to the City; and

iv. The joint venture partners have entered into a written agreement specifying the terms and conditions of the relationship between the partners and their relationship and responsibilities to the contract, and all such terms and conditions are in accordance with the conditions set forth in Items i, ii, and iii above in this Paragraph a.

b. The Chief Procurement Officer shall evaluate the proposed joint venture agreement, the Schedule B submitted on behalf of the proposed joint venture, and all related documents to determine whether these requirements have been satisfied. The Chief Procurement Officer shall also consider the record of the joint venture partners on other City of Chicago contracts. The decision of the Chief Procurement Officer regarding the eligibility of the joint venture for credit towards meeting the Contract Specific Goals, and the portion of those goals met by the joint venture, shall be final.

The joint venture may receive MBE or WBE credit for work performed by the MBE or WBE joint venture partner(s) equal to the value of work performed by the MBE or WBE with its own forces for a distinct, clearly defined portion of the work.

Additionally, if employees of the joint venture entity itself (as opposed to employees of the MBE or WBE partner) perform the work, then the value of the work may be counted toward the Contract Specific Goals at a rate equal to the MBE or WBE firm's percentage of participation in the joint venture as described in Schedule B.

The Chief Procurement Officer may also count the dollar value of work subcontracted to other MBEs and WBEs. Work performed by the forces of a non-certified joint venture partner shall not be counted toward the Contract Specific Goals.

c. **Schedule B: MBE/WBE Affidavit of Joint Venture**

Where the bidder's Compliance Plan includes the participation of any MBE or WBE as a joint venture partner, the bidder must submit with its bid a Schedule B and the proposed joint venture agreement. These documents must both clearly evidence that the MBE or WBE joint venture partner(s) will be responsible for a clearly defined portion of the work to be performed, and that the MBE's or WBE's responsibilities and risks are proportionate to its ownership percentage. The proposed joint venture agreement must include specific details related to:

i. The parties' contributions of capital, personnel, and equipment and share of the costs of insurance and bonding;

ii. Work items to be performed by the MBE's or WBE's own forces and/or work to be performed by employees of the newly formed joint venture entity;

iii. Work items to be performed under the supervision of the MBE or WBE joint venture partner; and

iv. The MBE's or WBE's commitment of management, supervisory, and operative personnel to the performance of the contract.

NOTE: Vague, general descriptions of the responsibilities of the MBE or WBE joint venture partner do not provide any basis for awarding credit. For example, descriptions such as "participate in the budgeting process," "assist with hiring," or "work with managers to improve customer service" do not identify distinct, clearly defined portions of the work. Roles assigned should require activities that are performed on a regular, recurring basis rather than as needed. The roles must also be pertinent to the nature of the business for

which credit is being sought. For instance, if the scope of work required by the City entails the delivery of goods or services to various sites in the City, stating that the MBE or WBE joint venture partner will be responsible for the performance of all routine maintenance and all repairs required to the vehicles used to deliver such goods or services is pertinent to the nature of the business for which credit is being sought.

1.4. **Counting MBE/WBE Participation Toward the Contract Specific Goals**

Refer to this section when preparing the MBE/WBE compliance plan and completing Schedule D-1 for guidance on what value of the participation by MBEs and WBEs will be counted toward the stated Contract Specific Goals. The "Percent Amount of Participation" depends on whether and with whom a MBE or WBE subcontracts out any portion of its work and other factors.

Firms that are certified as both MBE and WBE may only be listed on a bidder's compliance plan as either a MBE or a WBE to demonstrate compliance with the Contract Specific Goals. For example, a firm that is certified as both a MBE and a WBE may only be listed on the bidder's compliance plan under one of the categories, but not both. Except as provided in MCC 2-92-525(b)(2), only Payments made to MBE and WBE firms that meet BOTH the Commercially Useful Function and Area of Specialty requirements above will be counted toward the Contract Specific Goals.

a. Only expenditures to firms that perform a Commercially Useful Function as defined above may count toward the Contract Specific Goals.

   i. The CPO will determine whether a firm is performing a commercially useful function by evaluating the amount of work subcontracted, whether the amount the firm is to be paid under the contract is commensurate with the work it is actually performing and the credit claimed for its performance of the work, industry practices, and other relevant factors.

   ii. A MBE or WBE does not perform a commercially useful function if its participation is only required to receive payments in order to obtain the appearance of MBE or WBE participation. The CPO may examine similar commercial transactions, particularly those in which MBEs or WBEs do not participate, to determine whether non MBE and non WBE firms perform the same function in the marketplace to make a determination.

   iii. Indications that a subcontractor is not performing a commercially useful function include, but are not limited to, labor shifting and equipment sharing or leasing arrangements with the prime contractor or a first tier subcontractor.

b. Only the value of the dollars paid to the MBE or WBE firm for work that it performs in its Area of Specialty in which it is certified counts toward the Contract Specific Goals, except as provided in MCC 2-92-525(b)(2).

c. For maintenance, installation, repairs or inspection, or professional services, if the MBE or WBE performs the work itself: 100% of the value of work actually performed by the MBE's or WBE's own forces shall be counted toward the Contract Specific Goals, including the cost of supplies and materials purchased or equipment leased by the MBE or WBE from third parties or second tier subcontractors in order to perform its (sub)contract with its own forces (except supplies and equipment the MBE or WBE subcontractor purchases or leases from the prime contractor or its affiliate). 0% of the value of work at the project site that a MBE or WBE subcontracts to a non-certified firm counts toward the Contract Specific Goals.

d. If the MBE or WBE is a manufacturer: 100% of expenditures to a MBE or WBE manufacturer for items needed for the Contract shall be counted toward the Contract Specific Goals. A manufacturer is a firm that operates or maintains a factory or establishment that produces on the premises the materials or supplies obtained by the bidder or contractor.

e If the MBE or WBE is a distributor or supplier: 60% of expenditures for materials and supplies purchased from a MBE or WBE that is certified as a regular dealer or supplier shall be counted toward the Contract Specific Goals.

f. If the MBE or WBE is a broker:

i. Zero percent (0%) of expenditures paid to brokers will be counted toward the Contract Specific Goals.

ii. As defined above, Brokers provide no commercially useful function.

g. If the MBE or WBE is a member of the joint venture contractor/bidder:

i. A joint venture may count the portion of the total dollar value of the contract equal to the distinct, clearly defined portion of the work of the contract that the MBE or WBE performs with its own forces toward the Contract Specific Goals; or

ii. If employees of this distinct joint venture entity perform the work then the value of the work may be counted toward the Contract Specific Goals at a rate equal to the MBE or WBE firm's percentage of participation in the joint venture as described in the Schedule B.

iii. A joint venture may also count the dollar value of work subcontracted to other MBEs and WBEs.

h. If the MBE or WBE subcontracts out any of its work:

i. 100% of the value of the work subcontracted to other MBEs or WBEs performing work in its Area of Specialty may be counted toward the Contract Specific Goals.

ii. 0% of the value of work that a MBE or WBE subcontracts to a non-certified firm counts toward the Contract Specific Goals (except as allowed by (c) above).

iii. The fees or commissions charged for providing a bona fide service, such as professional, technical, consulting or managerial services or for providing bonds or insurance and assistance in the procurement of essential personnel, facilities, equipment, materials or supplies required for performance of the Contract, provided that the fee or commission is determined by the Chief Procurement Officer to be reasonable and not excessive as compared with fees customarily allowed for similar services.

iv. The fees charged for delivery of materials and supplies required on a job site (but not the cost of the materials and supplies themselves) when the hauler, trucker, or delivery service is not also the manufacturer of or a regular dealer in the materials and supplies, provided that the fee is determined by the Chief Procurement Officer to be reasonable and not excessive as compared with fees customarily allowed for similar services.

v. The fees or commissions charged for providing any bonds or insurance, but not the cost of the premium itself, specifically required for the performance of the Contract, provided that the fee or commission is determined by the Chief Procurement Officer to be reasonable and not excessive as compared with fees customarily allowed for similar services.

1.5. **Regulations Governing Reductions to or Waiver of MBE/WBE Goals**

The following Regulations set forth the standards to be used in determining whether or not a reduction or waiver of the MBE/WBE commitment goals of a particular contract is appropriate. If a bidder determines that it is unable to meet the MBE and/or WBE Contract-Specific Goals on a City of Chicago contract, a written request for the reduction or waiver of the commitment must be included in the bid or proposal.

The written request for reduction or waiver from the commitment must be in the form of a signed petition for grant of relief from the MBE/WBE percentages submitted on the bidder's letterhead, and must demonstrate that all required efforts as set forth in this document were taken to secure eligible Minority and Women Business Enterprises to meet the commitments. The Chief Procurement Officer or designee shall determine whether the request for the reduction or waiver will be granted.

A bidder will be considered responsive to the terms and conditions of these Regulations if, at the time of bid, it submits a waiver request and all supporting documentation that adequately addresses the conditions for waiver of MBE/WBE goals, including proof of notification to assist agencies except:

- Bidders responding to Request for Proposals (RFPs) who have been identified as a short listed candidate and/or a prospective awardee will be given a designated time allowance, but no more than fourteen (14) calendar days to submit to the Department of Procurement Services complete documentation that adequately addresses the conditions for waiver described herein; and
- Bidders responding to Request for Information and or Qualifications (RFI/RFQs) deemed by the Chief Procurement Officer or authorized designee to be the most responsive and responsible shall submit documentation that adequately addresses the conditions for waiver described herein during negotiations.

Failure to submit documentation sufficient to support the waiver request will cause the bid/proposal to be found non-responsive by the Chief Procurement Officer, and the bid/proposal will be rejected. In such cases the remedies to be taken by the Chief Procurement Officer, in his or her discretion, may include, but are not limited to, forfeiture of bid deposit; negotiating with the next lowest bidder; or re-advertising the bid/proposal. All bidders must submit all required documents at the time of bid opening to expedite the contract award.

1.5.1. Direct Participation

Each of the following elements must be present in order to determine whether or not such a reduction or waiver is appropriate.

a. The bidder has documented the unsuccessful solicitation for either subcontractors or joint venture partners of at least 50% (or at least five when there are more than eleven certified firms in the commodity area) of the appropriate certified MBE/WBE firms to perform any direct work identified or related to the advertised bid/proposal. Documentation must include but is not necessarily limited to:

1. A detailed statement of efforts to identify and select portions of work identified in the bid solicitation for subcontracting to certified MBE/WBE firms;
2. A listing of all MBE/WBE firms contacted that includes:
    - Name, address, telephone number and email of MBE/WBE firms solicited;
    - Date and time of contact;
    - Method of contact (written, telephone, transmittal of facsimile documents, email, etc.)
3. Copies of letters or any other evidence of mailing that substantiates outreach to MBE/WBE vendors that includes:
    - Project identification and location;
    - Classification/commodity of work items for which quotations were sought;
    - Date, item and location for acceptance of subcontractor bid proposals;
    - Detailed statement which summarizes direct negotiations with appropriate MBE/WBE firms for specific portions of the work and indicates why negotiations were unsuccessful;
    - Affirmation that Good Faith Efforts have been demonstrated by:

- choosing subcontracting opportunities likely to achieve MBE/WBE goals; and
- not imposing any limiting conditions which were not mandatory for all subcontractors; and
- providing notice of subcontracting opportunities to M/WBE firms and assist agencies at least five (5) business days in advance of the initial bid due date; and
- documented efforts or actual commitment to the indirect participation of MBE/WBE firms.

OR

b. Subcontractor participation will be deemed excessively costly when the MBE/WBE subcontractor proposal exceeds the average price quoted by more than twenty percent (20%). In order to establish that a subcontractor's quote is excessively costly, the bidder must provide the following information:

1. A detailed statement of the work identified for MBE/WBE participation for which the bidder asserts the MBE/WBE quote(s) were excessively costly (in excess of 20% higher).
   - o A listing of all potential subcontractors contacted for a quotation on that work item;
   - o Prices quoted for the subcontract in question by all such potential subcontractors for that work item.
2. Other documentation which demonstrates to the satisfaction of the Chief Procurement Officer that the MBE/WBE proposals are excessively costly, even though not in excess of 20% higher than the average price quoted. This determination will be based on factors that include, but are not limited to the following:
   - o The City's estimate for the work under a specific subcontract;
   - o The bidder's own estimate for the work under the subcontract;
   - o An average of the bona fide prices quoted for the subcontract;
   - o Demonstrated increase in other contract costs as a result of subcontracting to the M/WBE or other firm.

1.5.2. Assist Agency Participation in waiver/reduction requests

Every waiver and/or reduction request must include evidence that the bidder has provided timely notice of the need for subcontractors to an appropriate association/assist agency representative of the MBE/WBE business community. This notice must be given at least five (5) business days in advance of the initial bid due date.

The notice requirement of this Section will be satisfied if a bidder contacts at least one of the associations on Attachment A to these Regulations when the prime contractor seeks a waiver or reduction in the utilization goals. Attachment B to these Regulations provides the letter format that a prime contractor may use. Proof of notification prior to bid submittal (e.g. certified mail receipt or facsimile transmittal receipt) will be required to be submitted with the bid for any bid/proposal to be deemed responsive. If deemed appropriate, the Contract Compliance Officer may contact the assist agency for verification of notification.

1.5.3. Impracticability

If the Chief Procurement Officer determines that a lesser MBE and/or WBE percentage standard is appropriate with respect to a particular contract subject to competitive bidding prior to the bid solicitations for such contract, bid specifications shall include a statement of such revised standard.

The requirements set forth in these Regulations (this subsection 1.5.3.) shall not apply where the Chief Procurement Officer determines prior to the bid solicitations that MBE/WBE subcontractor participation is impracticable.

This may occur whenever the Chief Procurement Officer determines that for reasons of time, need, industry practices or standards not previously known by the Chief Procurement Officer, or such other extreme circumstances as may be deemed appropriate, such a Waiver is in the best interests of the City. This determination may be made in connection with a particular contract, whether before the contract is let for bid, during the bid or award process, before or during negotiation of the contract, or during the performance of the contract.

For all notifications required to be made by bidders, in situations where the Chief Procurement Officer has determined that time is of the essence, documented telephone contact may be substituted for letter contact.

1.6. **Procedure to Determine Bid Compliance**

A bid may be rejected as non-responsive if it fails to submit one or more of the following with its bid demonstrating its Good Faith Efforts to meet the Contract Specific Goals by reaching out to MBEs and WBEs to perform work on the contract:

- An MBE/WBE compliance plan demonstrating how the bidder plans to meet the Contract Specific Goals; and/or
- A request for reduction or waiver of the Contract Specific Goals in accordance with Section 2-92-450 of the MCC.

In the case of a bid utilizing the "Bid Incentive to Encourage MBE and WBE Utilization" pursuant to MCC 2-92-525(b)(2), failure to submit an MBE/WBE compliance plan demonstrating how the bidder plans to meet the Contract Specific Goal to which the bidder has committed will not result in rejection of the bid, but the bidder may be found ineligible for the bid incentive.

Except as provided in MCC 2-92-525(b)(2), only compliance plans utilizing MBE and WBE firms that meet BOTH the Commercially Useful Function and Area of Specialty requirements will be counted toward the Contract Specific Goals.

The following Schedules and described documents constitute the bidder's MBE/WBE proposal, and must be submitted in accordance with the guidelines stated:

(1) Schedule C-1: Letter of Intent from MBE/WBE to Perform as Subcontractor, Supplier and/or Consultant.

The bidder must submit the appropriate Schedule C-1 with the bid for each MBE and WBE included on the Schedule D-1 Suppliers must submit the Schedule C-1 for Suppliers, first tier subcontractors must submit a Schedule C-1 for Subcontractors to the Prime Contractor and second or lower tier subcontractors must submit a Schedule C-1 for second tier Subcontractors. The City encourages subcontractors to utilize the electronic fillable format Schedule C-1, which is available at the Department of Procurement Services website, http://cityofchicago.org/forms. Each Schedule C-1 must be executed by each MBE and WBE and accurately detail the work to be performed by the MBE or WBE and the agreed upon rates/prices. Each Schedule C must also include a separate sheet as an attachment on which the MBE or WBE fully describes its proposed scope of work, including a description of the commercially useful function being performed by the MBE or WBE in its Area of Specialty. If a facsimile copy of the Schedule C-1 has been submitted with the bid, an executed original Schedule C-1 must be submitted by the bidder for

each MBE and WBE included on the Schedule D-1 within five business days after the date of the bid opening.

Failure to submit a completed Schedule C-1 in accordance with this section shall entitle the City to deem the bid/proposal non-responsive and therefore reject the bid/proposal.

(2) Letters of Certification.
A copy of each proposed MBE/WBE firm's current Letter of Certification from the City of Chicago or Cook County Illinois, must be submitted with the bid/proposal. All Letters of Certification issued by the City of Chicago and Cook County include a statement of the MBE/WBE firm's Area of Specialty. The MBE/WBE firm's scope of work, as detailed by their Schedule C-1, must conform to their stated Area of Specialty. Letters of Certification for firms that the City or Cook County has found ineligible or has decertified will not be accepted.

(3) Schedule B: Affidavit of Joint Venture, and Joint Venture Agreements (if applicable).
If the bidder's MBE/WBE proposal includes the participation of a MBE/WBE as joint venture on any tier (either as the bidder or as a subcontractor), the bidder must provide a copy of the joint venture agreement and a Schedule B along with all other requirements listed in Section 1.6, above. In order to demonstrate the MBE/WBE partner's share in the ownership, control, management responsibilities, risks and profits of the joint venture, the proposed joint venture agreement must include specific details related to: (1) contributions of capital and equipment; (2) work responsibilities or other performance to be undertaken by the MBE/WBE; and (3) the commitment of management, supervisory and operative personnel employed by the MBE/WBE to be dedicated to the performance of the contract. The joint venture agreement must also clearly define each partner's authority to contractually obligate the joint venture and each partner's authority to expend joint venture funds (e.g., check signing authority).

(4) Schedule D-1: Required Schedules Regarding MBE/WBE Utilization
Bidders must submit, together with the bid, a completed Schedule D-1 committing them to the utilization of each listed MBE/WBE firm. The City encourages bidders to utilize the electronic fillable format Schedule D-1, which is available at the Department of Procurement Services website, http://cityofchicago.org/forms. Except in cases where the bidder has submitted a request for a complete waiver of or variance from the MBE/WBE commitment in accordance with Section 1.5 herein, the bidder must commit to the expenditure of a specific dollar amount of participation by each MBE/WBE firm included on their Schedule D-1. The total dollar commitment to proposed MBEs must at least equal the MBE goal, and the total dollar commitment to proposed WBEs must at least equal the WBE goal. Bidders are responsible for calculating the dollar equivalent of the MBE and WBE goals as percentages of their total base bids or in the case of Term Agreements, depends upon requirements agreements and blanket agreements, as percentages of the total estimated usage. All commitments made by the bidder's Schedule D-1 must conform to those presented in the submitted Schedule C-1. If Schedule C-1 is submitted after the opening, the bidder may submit a revised Schedule D-1 (executed and notarized to conform with the Schedules C-1). Bidders shall not be permitted to add MBEs or WBEs after bid opening to meet the Contract Specific Goals, however, contractors are encouraged to add additional MBE/WBE vendors to their approved compliance plan during the performance of the contract when additional opportunities for participation are identified. Except in cases where substantial and documented justification is provided, bidders will not be allowed to reduce the dollar commitment made to any MBE or WBE in order to achieve conformity between the Schedules C-1 and D-1.

All commitments for joint venture agreements must be delineated in the Schedule B.

(5) Application for Approval of Mentor Protégé Agreement
Any applications for City approval of a Mentor Protégé agreement must be included with the bid. If the application is not approved, the bidder must show that it has made good faith efforts to meet the contract specific goals.

1.7. **Reporting Requirements During the Term of the Contract**

a. The Contractor will, not later than thirty (30) calendar days from the award of a contract by the City, execute formal contracts or purchase orders with the MBEs and WBEs included in their approved MBE/WBE Utilization Plan. These written agreements will be made available to the Chief Procurement Officer upon request.

b. The Contractor will be responsible for reporting payments to all subcontractors on a monthly basis in the form of an electronic report. Upon the first payment issued by the City of Chicago to the contractor for services performed, on the first day of each month and every month thereafter, email and or fax audit notifications will be sent out to the Contractor with instructions to report payments that have been made in the prior month to each subcontractor. The reporting of payments to all subcontractors must be entered into the Certification and Compliance Monitoring System (C2), or whatever reporting system is currently in place, on or before the fifteenth (15th) day of each month.

c. Once the prime Contractor has reported payments made to each subcontractor, including zero dollar amount payments, the subcontractor will receive an email and or fax notification requesting them to log into the system and confirm payments received. All monthly confirmations must be reported on or before the 20th day of each month. Contractor and subcontractor reporting to the C2 system must be completed by the 25th of each month or payments may be withheld.

d. All subcontract agreements between the contractor and MBE/WBE firms or any first tier non-certified firm and lower tier MBE/WBE firms must contain language requiring the MBE/WBE to respond to email and/or fax notifications from the City of Chicago requiring them to report payments received for the prime or the non-certified firm.

Access to the Certification and Compliance Monitoring System (C2), which is a web based reporting system, can be found at: https://chicago.mwdbe.com

e. The Chief Procurement Officer or any party designated by the Chief Procurement Officer, shall have access to the contractor's books and records, including without limitation payroll records, tax returns and records and books of account, to determine the contractor's compliance with its commitment to MBE and WBE participation and the status of any MBE or WBE performing any portion of the contract. This provision shall be in addition to, and not a substitute for, any other provision allowing inspection of the contractor's records by any officer or official of the City for any purpose.

f. The Contractor shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs, retaining these records for a period of at least five years after project closeout. Full access to these records shall be granted to City, federal or state authorities or other authorized persons.

1.8. **Changes to Compliance Plan**

1.8.1. Permissible Basis for Change Required

No changes to the Compliance Plan or contractual MBE and WBE commitments or substitution of MBE or WBE subcontractors may be made without the prior written approval of the Contract Compliance Officer. Unauthorized changes or substitutions, including performing the work designated for a subcontractor with the contractor's own forces, shall be a violation of these Special Conditions and a breach of the contract with the City, and may cause termination of the executed Contract for breach, and/or subject the bidder or contractor to contract remedies or other sanctions. The facts supporting the request for changes must not have been known nor reasonably could have been known by the parties prior to entering into the subcontract Bid shopping is prohibited. The bidder or contractor must negotiate with the subcontractor to resolve the problem. If requested by either party, the Department of Procurement Services shall facilitate such a meeting. Where there has been a mistake or disagreement about the scope

of work, the MBE or WBE can be substituted only where an agreement cannot be reached for a reasonable price for the correct scope of work.

Substitutions of a MBE or WBE subcontractor shall be permitted only on the following basis:

a) Unavailability after receipt of reasonable notice to proceed;

b) Failure of performance;

c) Financial incapacity;

d) Refusal by the subcontractor to honor the bid or proposal price or scope;

e) Mistake of fact or law about the elements of the scope of work of a solicitation where a reasonable price cannot be agreed;

f) Failure of the subcontractor to meet insurance, licensing or bonding requirements;

g) The subcontractor's withdrawal of its bid or proposal; or

h) De-certification of the subcontractor as a MBE or WBE (graduation from the MBE/WBE program does not constitute de-certification).

i) Termination of a Mentor Protégé Agreement.

1.8.2. Procedure for Requesting Approval

If it becomes necessary to substitute a MBE or WBE or otherwise change the Compliance Plan, the procedure will be as follows:

a) The bidder or contractor must notify the Contract Compliance Officer and Chief Procurement Officer in writing of the request to substitute a MBE or WBE or otherwise change the Compliance Plan. The request must state specific reasons for the substitution or change. A letter from the MBE or WBE to be substituted or affected by the change stating that it cannot perform on the contract or that it agrees with the change in its scope of work must be submitted with the request.

b) The City will approve or deny a request for substitution or other change within 15 business days of receipt of the written request.

c) Where the bidder or contractor has established the basis for the substitution to the satisfaction of the Chief Procurement Officer, it must make Good Faith Efforts to meet the Contract Specific Goal by substituting a MBE or WBE subcontractor. Documentation of a replacement MBE or WBE, or of Good Faith Efforts, must meet the requirements in section 5. If the MBE or WBE Contract Specific Goal cannot be reached and Good Faith Efforts have been made, as determined by the Chief Procurement Officer, the bidder or contractor may substitute with a non-MBE or non-WBE.

d) If a bidder or contractor plans to hire a subcontractor for any scope of work that was not previously disclosed in the Compliance Plan, the bidder or contractor must obtain the approval of the Chief Procurement Officer to modify the Compliance Plan and must make Good Faith Efforts to ensure that MBEs or WBEs have a fair opportunity to bid on the new scope of work.

e) A new subcontract must be executed and submitted to the Contract Compliance Officer within five business days of the bidder's or contractor's receipt of City approval for the substitution or other change.

The City shall not be required to approve extra payment for escalated costs incurred by the contractor when a substitution of subcontractors becomes necessary to comply with MBE/WBE contract requirements

1.9 ***Non-Compliance and Damages***

Without limitation, the following shall constitute a material breach of this contract and entitle the City to declare a default, terminate the contract, and exercise those remedies provided for in the contract, at law or in equity: (1) failure to demonstrate Good Faith Efforts, except in the case of a contract where a bid incentive under MCC 2-92-525 was taken into consideration in the award; and (2) disqualification as a MBE or WBE of the contractor or any joint venture partner, subcontractor or supplier if its status as an MBE or WBE was a factor in the award of the contract and such status was misrepresented by the contractor.

Payments due to the contractor may be withheld until corrective action is taken.

Pursuant to MCC 2-92-445 or 2-92-740, as applicable, remedies or sanctions may include a penalty in the amount of the discrepancy between the amount of the commitment in the Compliance Plan, as such amount may be amended through change orders or otherwise over the term of the contract, and the amount paid to MBEs or WBEs, and disqualification from contracting or subcontracting on additional City contracts for up to three years. The consequences provided herein shall be in addition to any other criminal or civil liability to which such entities may be subject.

The contractor shall have the right to protest the final determination of non-compliance and the imposition of any penalty by the Chief Procurement Officer pursuant to MCC 2-92-445 or 2-92-740, within 15 business days of the final determination.

In the case of a in the case of a contract for which a bid incentive under MCC 2-92-525 was taken into consideration in the award, any contractor that has failed to retain the percentage of MBE or WBE subcontractor committed to in order for the bid incentive to be allocated will be fined an amount equal to three times the amount of the bid incentive allocated, unless the contractor can demonstrate that due to circumstances beyond the contractor's control, the contractor for good cause was unable to retain the percentage of MBE or WBE subcontractors throughout the duration of the contract period.

1.10. **Arbitration**

a) In the event a contractor has not complied with the contractual MBE/WBE percentages in its Schedule D, underutilization of MBEs/WBEs shall entitle the affected MBE/WBE to recover from the contractor damages suffered by such entity as a result of being underutilized; provided, however, that this provision shall not apply to the extent such underutilization occurs pursuant to a waiver or substitution approved by the City. The Ordinance and contracts subject thereto provide that any disputes between the contractor and such affected MBEs/WBEs regarding damages shall be resolved by binding arbitration before an independent arbitrator other than the City, with reasonable expenses, including attorney's fees, being recoverable by a prevailing MBE/WBE in accordance with these regulations. This provision is intended for the benefit of any MBE/WBE affected by underutilization and grants such entity specific third party beneficiary rights. Any rights conferred by this regulation are non-waivable and take precedence over any agreement to the contrary, including but not limited to those contained in a subcontract, suborder, or communicated orally between a contractor and a MBE/WBE.

b) An MBE/WBE desiring to arbitrate shall contact the contractor in writing to initiate the arbitrative process. Except as otherwise agreed to in writing by the affected parties subject to the limitation contained in the last sentence of the previous paragraph, within ten (10) calendar days of the contractor receiving notification of the intent to arbitrate from the MBE/WBE the above-described disputes shall be arbitrated in accordance with the Commercial Arbitration Rules of the American Arbitration Association (AAA), a not-for-profit agency, with an office at 225 North Michigan Avenue, Suite 2527, Chicago, Illinois 60601-7601 [Phone: (312) 616-6560; Fax: (312) 819-0404]. All such arbitrations shall be initiated by the MBE/WBE filing a demand for arbitration with the AAA; shall be conducted by the AAA; and held in Chicago, Illinois.

c) All arbitration fees are to be paid pro rata by the parties, however, that the arbitrator is authorized to award reasonable expenses, including attorney and arbitrator fees, as damages to a prevailing MBE/WBE

d) The MBE/WBE must send the City a copy of the Demand for Arbitration within ten (10) calendar days after it is filed with the AAA. The MBE/WBE also must send the City a copy of the decision of the arbitrator within ten (10) calendar days of receiving such decision. Judgment upon the award rendered by the arbitrator may be entered in any court of competent jurisdiction.

1.11. **Equal Employment Opportunity**

Compliance with MBE and WBE requirements will not diminish or supplant equal employment opportunity and civil rights provisions as required by law.

1.12. **Attachments and Schedules**

The following attachments and schedules follow, they may also be downloaded from the Internet at: http://www.cityofchicago.org/forms

- Attachment A: Assist Agencies
- Attachment B: Sample Format for Requesting Assist Agency Comments on Bidder's Request for Reduction or Waiver of MBE/WBE Goals
- Schedule B: Affidavit of Joint Venture (MBE/WBE)
- Schedule C-1: Letter of Intent From MBE/WBE To Perform As Subcontractor, Supplier and/or Consultant
- Schedule D-1: Compliance Plan Regarding MBE/WBE Utilization

DEPARTMENT OF PROCUREMENT SERVICES

CITY OF CHICAGO ASSIST AGENCY LIST

Attachment A –Assist Agency List (Rev. Sept 2016)

Assist Agencies are comprised of not-for-profit agencies and/or chamber of commerce agencies that represent the interest of small, minority and/or women owned businesses.

**Prime Contractors should contact with subcontracting opportunities to connect certified firms*

51st Street Business Association * 220 E. 51st Street Chicago, IL 60615 Phone: 773-285-3401 Fax: 773-285-3407 Email: the51ststreetbusinessassociation@yahoo.com Web: www.51stStreetChicago.com Maintains list of certified firms: Yes Provides training for businesses: Yes	**Association of Asian Construction Enterprises** * 5677 W. Howard Niles, IL 60714 Phone: 847-673-7377 Fax: 847-673-2358 Email: nakmancorp@aol com Maintains list of certified firms: Yes Provides training for businesses: Yes
Austin African American Business Networking Assoc. 5820 W. Chicago Ave., Chicago, IL 60651 Phone: 773-626-4497 Email: aaabna@yahoo.com Web: www aaabna.org Maintains list of certified firms: No Provides training for businesses Yes	**Black Contractors United** * 12000 S. Marshfield Ave Calumet Park, IL 60827 Phone: 708-389-5730 Fax: 708-389-5735 Email valerie@blackcontractorsunited com Web: www blackcontractorsunited.com Maintains list of certified firms: Yes Provides training for businesses: Yes
LGBT Chamber of Commerce of Illinois * 3179 N. Clark St., 2nd Floor Chicago, IL 60657 Phone 773-303-0167 Fax 773-303-0168 Email: grodriguez@lgbtcc com Web www lgbtcc com Maintains list of certified firms Yes Provides training for businesses Yes	**Chatham Business Association Small Business Dev.** * 800 E 78th Street Chicago, IL 60619 Phone: 773-994-5006 Fax. 773-855-8905 Email: melindakelly@cbaworks org Web www.cbaworks org Maintains list of certified firms Yes Provides training for businesses Yes

Chicago Minority Supplier Development Council Inc. * 105 W Adams, Suite 2300 Chicago, IL 60603-6233 Phone 312-755-2550 Fax 312-755-8890 Email: pbarreda@chicagomsdc.org Web: www.chicagomsdc.org Maintains list of certified firms: Yes Provides training for businesses: Yes	**Chicago Urban League** * 4510 S. Michigan Ave Chicago, IL 60653 Phone: 773-624-8810 Fax 773-451-3579 Email: sbrinston@thechicagourbanleague.org Web: www.cul-chicago.org Maintains list of certified firms Yes Provides training for businesses Yes
Chicago Women in Trades (CWIT) 2444 W 16th Street Chicago, IL 60608 Phone 773-942-1444 Fax: 312-942-1599 Email jvellinga@cwit2.org Web: www chicagowomenintrades2.org Maintains list of certified firms: No Provides training for businesses: Yes	**Contractor Advisors Business Development Corp.** * 1507 E 53rd Street, Suite 906 Chicago, IL. 60615 Phone: 312-436-0301 Email. info@contractoradvisors.us Web: www.contractoradvisors.us Maintains list of certified firms Yes Provides training for businesses Yes
Do For Self Community Development Co. * 7447 S South Shore Drive, Unit 22B Chicago, IL 60649 Phone: 773-356-7661 Email: dennisdoforself@hotmail com Web: www.doforself org Maintains list of certified firms: No Provides training for businesses: Yes	**Far South Community Development Corporation** 9923 S. Halsted Street, Suite D Chicago, IL 60628 Phone: 773-941-4833 Fax 773-941-5252 Email mailto:lacy@farsouth.org Web www farsouthcdc org Maintains list of certified firms No Provides training for businesses Yes

Federation of Women Contractors * 216 W. Jackson Blvd. #625 Chicago, IL 60606 Phone: 312-360-1122 Fax: 312-750-1203 Email: fwcchicago@aol.com Web www.fwcchicago com Maintains list of certified firms. Yes Provides training for businesses: Yes	**Greater Englewood Community Development Corp.** * 815 W 63rd Street Chicago, IL 60621 Phone 773-651-2400 Fax 773-651-2400 Email. jharbin@greaterenglewoodcdc org Web: www greaterenglewoodcdc org Maintains list of certified firms: Yes Provides training for businesses Yes
Greater Pilsen Economic Development Assoc. * 1801 S Ashland Chicago, IL 60608 Phone. 312-698-8898 Email: greaterpilsen@gmail com Web: www.greaterpilsen.org Maintains list of certified firms. Yes Provides training for businesses Yes	**Greater Far South Halsted Chamber of Commerce** * 10615 S. Halsted Street Chicago, IL 60628 Phone. 518-556-1641 Fax: 773-941-4019 Email halstedchamberevents@gmail com Web www.greaterfarsouthhalstedchamber org Maintains list of certified firms. Yes Provides training for businesses Yes
Hispanic American Construction Industry Association (HACIA) * 650 W Lake St., Unit 415 Chicago, IL 60661 Phone. 312-575-0389 Fax 312-575-0544 Email: jperez@haciaworks.org Web: www.haciaworks org Maintains list of certified firms Yes Provides training for businesses Yes	**Illinois Hispanic Chamber of Commerce** * 222 Merchandise Mart Plaza, Suite 1212 c/o 1871 Chicago, IL 60654 Phone 312-425-9500 Email. aalcantar@ihccbusiness net Web: www.ihccbusiness net Maintains list of certified firms Yes Provides training for businesses Yes

Illinois State Black Chamber of Commerce * 411 Hamilton Blvd , Suite 1404 Peoria, Illinois 61602 Phone: 309-740-4430 / 773-294-8038 Fax: 309-672-1379 Email. LarryIvory@IllinoisBlackChamber org / vgilb66709@yahoo com www.illinoisblackchamberofcommerce.org Maintains list of certified firms. Yes Provides training for businesses: Yes	**Latin American Chamber of Commerce** * 3512 W Fullerton Avenue Chicago, IL 60647 Phone: 773-252-5211 Fax: 773-252-7065 Email:d.lorenzopadron@LACCUSA com Web: www.LACCUSA com Maintains list of certified firms. Yes Provides training for businesses: Yes
National Association of Women Business Owners * 500 Davis Street, Ste 812 Evanston, IL 60201 Phone: 773-410-2484 Fax 847-328-2018 Email: wjaehn@nawbochicago.org Web: www nawbochicago.org Maintains list of certified firms Yes Provides training for businesses: Yes	**National Organization of Minority Engineers (NOME)** * 33 W. Monroe, Suite 1540 Chicago, IL 60603 Phone. 312-960-1239 Email: grandevents1@sbcglobal net Web: www.nomeonline.org Maintains list of certified firms. Yes Provides training for businesses: Yes
Rainbow/PUSH Coalition * 930 E 50th Street Chicago, IL 60615 Phone: 773-256-2768 Fax. 773-373-4103 Email. jmitchell@rainbowpush.org Web: www rainbowpush.org Maintains list of certified firms: Yes Provides training for businesses. No	**South Shore Chamber, Inc.** * 1750 E 71st Street, Suite 208 Chicago, IL 60649-2000 Phone. 773-955- 9508 Email: twertz@southshorechamberinc.org Web www.southshorechamberinc org Maintains list of certified firms. Yes Provides training for businesses. Yes

The Monroe Foundation 1547 South Wolf Road Hillside, Illinois 60162 Phone. 773-315-9720 Email omonroe@themonroefoundation.org Web www.themonroefoundation org Maintains list of certified firms: No Provides training for businesses: Yes	**US Minority Contractors Association, Inc.** * 1250 Grove Ave Suite 200 Barrington, IL 60010 Phone 847-708-1597 Fax: 847-382-1787 Email: admin@usminoritycontractors.org Web: USMinorityContractors.org Maintains list of certified firms: Yes Provides training for businesses: Yes
Women's Business Development Center * 8 S Michigan Ave , 4th Floor Chicago, IL 60603 Phone: 312-853-3477 Fax: 312-853-0145 Email. fcurry@wbdc org Web www.wbdc org Maintains list of certified firms: Yes Provides training for businesses: Yes	**Women Construction Owners & Executives (WCOE)** * Chicago Caucus 308 Circle Avenue Forest Park, IL 60130 Phone: 708-366-1250 Email: mkm@mkmservices com Web: www wcoeusa.org Maintains list of certified firms. Yes Provides training for businesses. No
Your Community Consultants Foundation 9301 S Parnell Ave , Chicago, IL 60620 Phone 773-224-9299 Fax 773-371-0032 Email: allen81354@aol com Maintains list of certified firms: No Provides training for businesses: Yes	

Attachment B - Sample Format for Requesting Assist Agency Comments on Bidder's Request for Reduction or Waiver of MBE/WBE Goals

On Bidder/Proposer's Letterhead – SEND TO THE ASSIST AGENCIES – DO NOT SEND TO THE CITY

RETURN RECEIPT REQUESTED

(Date)

Specification No.: {Specification Number}
Project Description: {PROJECT DESCRIPTION}

(Assist Agency Name and Address – **SEND TO THE ASSIST AGENCIES – DO NOT SEND TO THE CITY**)

Dear _____:

_____ (Bidder/Proposer) intends to submit a bid/proposal in response to the above referenced specification with the City of Chicago. Bids are due _____ advertised specification with the City of Chicago.

The following areas have been identified for subcontracting opportunities on both a direct and indirect basis:

_____

_____

_____

Our efforts to identify potential subcontractors have not been successful in order to meet the Disadvantaged/ Minority/Women Business Enterprise contract goal. **Due to the inability to identify an appropriate DBE/MBE/WBE firm certified by the City of Chicago to participate as a subcontractor or joint venture partner, a request for the waiver of the contract goals will be submitted.** If you are aware of such a firm, please contact

_____

Name of Company Representative at Address/Phone

within (10) ten business days of receipt of this letter.

Under the City of Chicago's MBE/WBE/DBE Ordinance, your agency is entitled to comment upon this waiver request to the City of Chicago. Written comments may be directed within ten (10) working days of your receipt of this letter to.

Monica Jimenez, Deputy Procurement Officer
Department of Procurement Services
City of Chicago
121 North La Salle Street, Room 806
Chicago, Illinois 60602

If you wish to discuss this matter, please contact the undersigned at _____.
Sincerely,

SCHEDULE B: Affidavit of Joint Venture (MBE/WBE)

This form need not be submitted if all joint venturers are MBEs and/or WBEs. In such a case, however, a written joint venture agreement among the MBE and WBE venturers must be submitted. In all proposed joint ventures, each MBE and/or WBE venturer must submit a copy of their current Letter of Certification.

All Information Requested by this Schedule must Be Answered in the Spaces Provided. Do Not Refer to Your Joint Venture Agreement Except to Expand on Answers Provided on this Form. If Additional Space Is Required, Additional Sheets May Be Attached.

I. Name of joint venture: _____
Address of joint venture: _____
_____
Phone number of joint venture: _____

II. Identify each non-MBE/WBE venturer(s):
Name of Firm _____
Address: _____
Phone: _____
Contact person for matters concerning MBE/WBE compliance: _____

III. Identify each MBE/WBE venturer(s):
Name of Firm _____
Address: _____
Phone: _____
Contact person for matters concerning MBE/WBE compliance: _____

IV. Describe the role(s) of the MBE and/or WBE venturer(s) in the joint venture: _____
_____
_____
_____

V. Attach a copy of the joint venture agreement. In order to demonstrate the MBE and/or WBE venturer's share in the ownership, control, management responsibilities, risks and profits of the joint venture, the proposed joint venture agreement must include specific details related to: (1) the contributions of capital and equipment; (2) work items to be performed by the MBE/WBE's own forces; (3) work items to be performed under the supervision of the MBE/WBE venturer; and (4) the commitment of management, supervisory and operative personnel employed by the MBE/WBE to be dedicated to the performance of the project.

VI. Ownership of the Joint Venture.
A What are the percentage(s) of MBE/WBE ownership of the joint venture?
MBE/WBE ownership percentage(s) _____
Non-MBE/WBE ownership percentage(s) _____

B. Specify MBE/WBE percentages for each of the following (provide narrative descriptions and other detail as applicable):

1. Profit and loss sharing. _____

2 Capital contributions:
(a) Dollar amounts of initial contribution _____

(b) Dollar amounts of anticipated on-going contributions:_____

3. Contributions of equipment (Specify types, quality and quantities of equipment to be provided by each venturer):_____

4 Other applicable ownership interests, including ownership options or other agreements which restrict or limit ownership and/or control _____

5. Provide copies of all written agreements between venturers concerning this project.

6 Identify each current City of Chicago contract (and each contract completed during the past two (2) years) by a joint venture of two or more firms participating in this joint venture:

VII. Control of and Participation in the Joint Venture Identify by name and firm those individuals who are, or will be, responsible for, and have the authority to engage in the following management functions and policy decisions. (Indicate any limitations to their authority such as dollar limits and co-signatory requirements.):

A. Joint venture check signing:

B. Authority to enter contracts on behalf of the joint venture

C. Signing, co-signing and/or collateralizing loans

D Acquisition of lines of credit:

E. Acquisition and indemnification of payment and performance bonds:

F. Negotiating and signing labor agreements:

G. Management of contract performance. (Identify by name and firm only):

1. Supervision of field operations:
2. Major purchases:
3. Estimating:
4. Engineering:

VIII. Financial Controls of joint venture.

A. Which firm and/or individual will be responsible for keeping the books of account?

B. Identify the managing partner, if any, and describe the means and measure of their compensation.

C What authority does each venturer have to commit or obligate the other to insurance and bonding companies, financing institutions, suppliers, subcontractors, and/or other parties participating in the performance of this contract or the work of this project?

IX State the approximate number of operative personnel (by trade) needed to perform the joint venture's work under this contract. Indicate whether they will be employees of the non-MBE/WBE firm, the MBE/WBE firm, or the joint venture.

Schedule B: Affidavit of Joint Venture (MBE/WBE)

Trade	Non-MBE/WBE Firm (Number)	MBE/WBE (Number)	Joint Venture (Number)

If any personnel proposed for this project will be employees of the joint venture.

A. Are any proposed joint venture employees currently employed by either venturer?
Currently employed by non-MBE/WBE (number) ____ Employed by MBE/WBE ____

B. Identify by name and firm the individual who will be responsible for hiring joint venture employees

C. Which venturer will be responsible for the preparation of joint venture payrolls:

X. Please state any material facts of additional information pertinent to the control and structure of this joint venture

Schedule B: Affidavit of Joint Venture (MBE/WBE)

The undersigned affirms that the foregoing statements are correct and include all material information necessary to identify and explain the terms and operations of our joint venture and the intended participation of each venturer in the undertaking. Further, the undersigned covenant and agree to provide to the City current, complete and accurate information regarding actual joint venture work and the payment therefore, and any proposed changes in any provision of the joint venture agreement, and to permit the audit and examination of the books, records and files of the joint venture, or those of each venturer relevant to the joint venture by authorized representatives of the City or the Federal funding agency.

Any material misrepresentation will be grounds for terminating any contract which may be awarded and for initiating action under federal or state laws concerning false statements.

Note: If, after filing this Schedule B and before the completion on the joint venture's work on the project, there is any change in the information submitted, the joint venture must inform the City of Chicago, either directly or through the prime contractor if the joint venture is a subcontractor.

Name of MBE/WBE Partner Firm	Name of Non-MBE/WBE Partner Firm
Signature of Affiant	Signature of Affiant
Name and Title of Affiant	Name and Title of Affiant
Date	Date

On this _____ day of _____ , 20 ___ , the above-signed officers

_____
(names of affiants)

personally appeared and, known to me be the persons described in the foregoing Affidavit, acknowledged that they executed the same in the capacity therein stated and for the purpose therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

_____
Signature of Notary Public

My Commission Expires: _____

(SEAL)

Schedule C-1: Letter of Intent From MBE/WBE To Perform As Subcontractor, Supplier and/or Consultant

SCHEDULE C-1

MBE/WBE Letter of Intent to Perform as a Subcontractor, Supplier, or Consultant

FOR NON-CONSTRUCTION PROJECTS ONLY

Project Name _____ Specification No _____

From._____
(Name of MBE/WBE Firm)

To:_____and the City of Chicago.
(Name of Prime Contractor)

The MBE or WBE status of the undersigned is confirmed by the attached City of Chicago or Cook County, Illinois Certification Letter 100% MBE or WBE participation is credited for the use of a MBE or WBE "manufacturer " 60% participation is credited for the use of a MBE or WBE "regular dealer "

The undersigned is prepared to perform the following services in connection with the above named project/contract. If more space is required to fully describe the MBE or WBE proposed scope of work and/or payment schedule, including a description of the commercially useful function being performed Attach additional sheets as necessary.

_____
_____
_____

The above described performance is offered for the following price and described terms of payment.

_____
_____
_____

SUB-SUBCONTRACTING LEVELS

A zero (0) must be shown in each blank if the MBE or WBE will not be subcontracting any of the work listed or attached to this schedule.

_____ % of the dollar value of the MBE or WBE subcontract that will be subcontracted to non MBE/WBE contractors.

_____ % of the dollar value of the MBE or WBE subcontract that will be subcontracted to MBE or WBE contractors.

NOTICE: **If any of the MBE or WBE scope of work will be subcontracted, list the name of the vendor and attach a brief explanation, description and pay item number of the work that will be subcontracted. MBE/WBE credit will not be given for work subcontracted to Non-MBE/WBE contractors, except for as allowed in the Special Conditions Regarding Minority Business Enterprise Commitment and Women Business Enterprise Commitment.**

The undersigned will enter into a formal written agreement for the above work with you as a Prime Contractor, conditioned upon your execution of a contract with the City of Chicago, within three (3) business days of your receipt of a signed contract from the City of Chicago

The undersigned has entered into a formal written mentor protégé agreement as a subcontractor/protégé with you as a Prime Contractor/mentor ( ) Yes ( ) No

NOTICE: **THIS SCHEDULE AND ATTACHMENTS REQUIRE ORIGINAL SIGNATURES.**

_____
(Signature of President/Owner/CEO or Authorized Agent of MBE/WBE) (Date)

_____
(Name/Title-Please Print)

_____
(Email & Phone Number)

SCHEDULE D-1
Compliance Plan Regarding MBE/WBE Utilization
Affidavit of Prime Contractor

FOR NON-CONSTRUCTION PROJECTS ONLY

MUST BE SUBMITTED WITH THE BID. FAILURE TO SUBMIT THE SCHEDULE D-1 WILL CAUSE THE BID TO BE REJECTED. DUPLICATE AS NEEDED.

Project Name _____

Specification No _____

In connection with the above captioned contract, I HEREBY DECLARE AND AFFIRM that I am a duly authorized representative of _____
(Name of Prime Consultant/Contractor)

and that I have personally reviewed the material and facts set forth herein describing our proposed plan to achieve the MBE/WBE goals of this contract

All MBE/WBE firms included in this plan have been certified as such by the City of Chicago and/or Cook County, Illinois (Letters of Certification Attached)

I. Direct Participation of MBE/WBE Firms:

NOTE: The bidder/proposer shall, in determining the manner of MBE/WBE participation, first consider involvement with MBE/WBE firms as joint venture partners, subcontractors, and suppliers of goods and services directly related to the performance of this contract

A. If bidder/proposer is a joint venture and one or more joint venture partners are certified MBEs or WBEs, attach copies of Letters of Certification, Schedule B form and a copy of Joint Venture Agreement clearly describing the role of each MBE/WBE firm(s) and its ownership interest in the joint venture

B. Complete this section for each MBE/WBE Subcontractor/Supplier/Consultant participating on this contract

1. Name of MBE/WBE _____

   Address _____

   Contact Person _____

   Phone Number: _____

   Dollar Value of Participation $ _____

   Percentage of Participation % _____

   Mentor Protégé Agreement (attach executed copy) ( ) Yes ( ) No Add'l Percentage Claimed [1] ____%

   Total Participation % _____

2. Name of MBE/WBE _____

   Address _____

   Contact Person _____

[1] The Prime Contractor may claim an additional 0 333 percent participation credit (up to a maximum of five (5) percent) for every one (1) percent of the value of the contract performed by the MBE/WBE protégé firm

Phone Number _____

Dollar Value of Participation $_____

Percentage of Participation % _____

Mentor Protégé Agreement (attach executed copy) ( ) Yes ( ) No Add'l Percentage Claimed ____%

Total Participation % _____

3. Name of MBE/WBE _____

   Address _____

   Contact Person _____

   Phone Number _____

   Dollar Value of Participation $_____

   Percentage of Participation % _____

   Mentor Protégé Agreement (attach executed copy) ( ) Yes ( ) No Add'l Percentage Claimed ____%

   Total Participation % _____

4. Name of MBE/WBE _____

   Address _____

   Contact Person _____

   Phone Number _____

   Dollar Value of Participation $_____

   Percentage of Participation % _____

   Mentor Protégé Agreement (attach executed copy) ( ) Yes ( ) No Add'l Percentage Claimed ____%

   Total Participation % _____

5. Attach Additional Sheets as Needed

II. Indirect Participation of MBE/WBE Firms

NOTE: This section need not be completed if the MBE/WBE goals have been met through the direct participation outlined in Section I. If the MBE/WBE goals have not been met through direct participation, Contractor will be expected to demonstrate that the proposed MBE/WBE direct participation represents the maximum achievable under the circumstances. Only after such a demonstration will indirect participation be considered.

MBE/WBE Subcontractors/Suppliers/Consultants proposed to perform work or supply goods or services where such performance does not directly relate to the performance of this contract

1. Name of MBE/WBE _____

   Address _____

   Contact Person _____

Schedule D-1: Prime Contractor Affidavit-MBE/WBE Compliance Plan

Phone Number _____

Dollar Value of Participation $_____

Percentage of Participation % _____

Mentor Protégé Agreement (attach executed copy). ( ) Yes ( ) No Add'l Percentage Claimed ____%

Total Participation % _____

2. Name of MBE/WBE _____

Address _____

Contact Person _____

Phone Number _____

Dollar Value of Participation $_____

Percentage of Participation % _____

Mentor Protégé Agreement (attach executed copy). ( ) Yes ( ) No Add'l Percentage Claimed ____%

Total Participation % _____

3. Name of MBE/WBE _____

Address _____

Contact Person _____

Phone Number _____

Dollar Value of Participation $_____

Percentage of Participation % _____

Mentor Protégé Agreement (attach executed copy) ( ) Yes ( ) No Add'l Percentage Claimed ____%

Total Participation % _____

4. Name of MBE/WBE _____

Address _____

Contact Person _____

Phone Number _____

Dollar Value of Participation $_____

Percentage of Participation % _____

Mentor Protégé Agreement (attach executed copy) ( ) Yes ( ) No Add'l Percentage Claimed ____%

Total Participation % _____

5. Attach Additional Sheets as Needed

Schedule D-1: Prime Contractor Affidavit-MBE/WBE Compliance Plan

III. Summary of MBE/WBE Proposal

A. MBE Proposal **(Direct & Indirect)**

1 MBE Direct Participation

MBE Firm Name	Dollar Amount Participation ($)	Percent Amount Participation (%)
Total Direct MBE Participation		

2 MBE Indirect Participation

MBE Firm Name	Dollar Amount Participation ($)	Percent Amount Participation (%)
Total Indirect MBE Participation		

B. WBE Proposal **(Direct & Indirect)**

1. WBE Direct Participation

WBE Firm Name	Dollar Amount Participation ($)	Percent Amount Participation (%)
Total Direct WBE Participation		

2. WBE Indirect Participation

WBE Firm Name	Dollar Amount Participation ($)	Percent Amount Participation (%)
Total Indirect WBE Participation		

Schedule D-1: Prime Contractor Affidavit-MBE/WBE Compliance Plan

The Prime Contractor designates the following person as its MBE/WBE Liaison Officer:

_____

(Name- Please Print or Type) (Phone)

I DO SOLEMNLY DECLARE AND AFFIRM UNDER PENALTIES OF PERJURY THAT THE CONTENTS OF THE FOREGOING DOCUMENT ARE TRUE AND CORRECT, THAT NO MATERIAL FACTS HAVE BEEN OMITTED, AND THAT I AM AUTHORIZED ON BEHALF OF THE PRIME CONTRACTOR TO MAKE THIS AFFIDAVIT.

_____

(Name of Prime Contractor – Print or Type)

State of _____

_____

(Signature)

County of _____

_____

(Name/Title of Affiant – Print or Type)

_____

(Date)

On this_____day of_____, 20____, the above signed officer _____

(Name of Affiant)

personally appeared and, known by me to be the person described in the foregoing Affidavit, acknowledged that (s)he executed the same in the capacity stated therein and for the purposes therein contained

IN WITNESS WHEREOF, I hereunto set my hand and seal

_____

(Notary Public Signature)

SEAL.

Commission Expires _____

EXHIBIT D

FOOD & BEVERAGE OPERATIONS MANAGEMENT AGREEMENT

This **FOOD & BEVERAGE OPERATIONS MANAGEMENT AGREEMENT** (this "**Agreement**") is made as of _____ ____, 2018 (the "**Effective Date**"), by and between:

(1) **The City of Chicago** acting by and through its Commissioner of Aviation (the "**Owner**" or the "**City**"), a municipal corporation, body politic, unit of local government and political subdivision of the State of Illinois and

(2) **Hyde Park Hospitality LLC**, a Delaware limited liability company ("**F&B Operator**").

WHEREAS:

A. Owner is the owner of that certain hotel commonly known as the O'Hare Hilton Hotel located at O'Hare International Airport (the "Airport") in Chicago, Illinois (the **"Hotel").**

B. The Hotel is managed and operated by Hilton Management LLC (the "**Hotel Operator**") on behalf of Owner pursuant to that certain Hotel Management Agreement dated _____ ____, 2018, as the same may be amended from time to time (the "**Hotel Management Agreement").**

C. F&B Operator and its Affiliates are engaged in the business of providing food and beverage services for third parties and providing operation and management services related to the same.

D. Owner desires to retain F&B Operator to operate, and F&B Operator desires to operate, certain food and beverage operations at the Hotel, including the (i) restaurants within the Hotel, along with kitchen, food storage areas, refrigerators, freezers and other back-of-house areas related to the restaurants, (ii) the provision of food and beverage services to the banquet and second floor meeting spaces at the Hotel, and (iii) the grab-and-go retail outlet, all subject to the terms and conditions of this Agreement (collectively, the "**F&B Operation**").

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Owner and the F&B Operator hereby agree as follows:

1. Interpretation

1.1 Definitions. In this Agreement, the following terms shall have the meaning set forth in this Section 1.1.

"**Accountant**" shall have the meaning set forth in Section 7.2.

"**Affected Party**" shall have the meaning set forth in Section 17.2.

"**Affiliate**" shall mean, as to any person, any other person that, directly or indirectly, controls, or is controlled by, or is under common control with, such person. For this purpose, "**control**" (including, with its correlative meanings, "**controlled by**" and "**under common control with**") means the possession, directly or indirectly, of the power to direct or cause the direction of management or policies of a person, whether through the ownership of securities or partnership or other ownership interests, by contract or otherwise.

"**Agreement**" shall have the meaning set forth in the preamble.

"**Annual Fee**" shall have the meaning set forth in Section 8.3.

"**Annual Plan**" shall have the meaning set forth in Section 5.1.

"**Approved Annual Plan**" shall mean the Initial Annual Plan or any subsequent Annual Plan approved by Owner in accordance with this Agreement, including without limitation, Section 5.3 hereof.

"**Arbitrator**" shall have the meaning set forth in Section 18.2(ii).

"**Assistant Executive Manager**" shall mean the assistant executive manager of the F&B Operation.

"**Base Management Fee**" shall have the meaning set forth in Section 8.4.1.

"**Beneficiary Parties**" shall have the meaning set forth in Section 26.

"**Capital Contribution**" shall mean Capital Expenses and Pre-Opening Expenses.

"**Capital Expenses**" shall mean, for any period, all capital expenses incurred by Owner in connection with the F&B Operation, including but not limited to: (a) all capital items that are capitalized according to GAAP and are necessary for the build-out of the F&B Operation included in the Renovation Expense Budget (or, if not included in the Renovation Expense Budget, the expenditure for such capital item has been approved by Owner); (b) the cost of the development of the F&B Operation, including detailed design, construction, engineering, fitting-out, decorating and space planning; and (c) costs associated with the purchase of capital items throughout the Term. If Owner determines to lease rather than purchase a capital item, the cost of such lease shall be treated as a capital expense and not as an F&B Operation Expense.

"**Confidential Information**" shall have the meaning set forth in Section 21.1.

"**Controlling Interest**" in an entity shall mean the ownership of more than 50% of the ownership interests in such entity and the right to manage the business affairs of such entity. Thus, a change in Controlling Interest shall be deemed to have occurred only if more than 50% of the voting interests and the right to manage the business affairs of an entity are transferred.

"**Development Fee**" shall have the meaning set forth in Section 8.4.3.

"**Dispute**" shall have the meaning set forth in Section 18.2.

"**Effective Date**" shall have the meaning set forth in the introductory paragraph.

"**Emergency**" shall have the meaning set forth in Section 13.2.

"**Employees**" shall mean the employees providing food and beverage services (whether full-time or part-time) within the Hotel (or in such other location or locations as mutually agreed by Owner and F&B Operator), including but not limited to the F&B Operation Executive Staff.

"**Event of F&B Operator Default**" shall have the meaning set forth in Section 15.2.

"**Event of Owner Default**" shall have the meaning set forth in Section 15.3.

"**Executive Chef**" shall mean the head chef of the F&B Operation.

"**Executive Manager**" shall mean the executive manager of the F&B Operation.

"**F&B Complimentaries**" shall have the meaning set forth in Section 5.5(ii).

"**F&B Operating Standard**" shall mean the quality of food, beverages, operation and management in a manner consistent with prudent management practices commensurate with those utilized by similarly situated food and beverage operators for facilities of comparable size and quality as the F&B Operations.

"**F&B Operation**" shall have the meaning set forth in Recital E.

"**F&B Operation Customer Lists**" shall have the meaning set forth in Section 10.12.

"**F&B Operation Executive Staff**" shall have the meaning set forth in Section 4.2(ii)(A).

"**F&B Operation Expenses**" shall mean, for any period after the Opening Date, subject to the Approved Annual Plan, all costs and expenses incurred to manage and operate the F&B Operation and expensed on an as used basis, including, but not limited to the following: (a) the cost of salaries and benefits for Employees (provided, however, that if any Employees also engage in services unrelated to the F&B Operation, there shall be an equitable allocation of the salaries and benefits for such Employees for purposes of determining F&B Operating Expenses); (b) the cost of goods sold, including, but not limited to, the cost of food and beverages; (c) the Base Management Fee; (d) supplies and inventory (other than those items included as Capital Expenses); (e) the cost of linen and uniform cleaning and servicing; (f) equipment leases and rentals that relate specifically to F&B Operations as mutually agreed upon by Owner and F&B Operator, but specifically excluding the lease or rental of any equipment required for the build-out or the initial operation of the F&B Operation or any replacement of such equipment; (g) mutually agreed upon professional fees and outside services, public relations, human resources and general overhead or administration) including but not limited to, janitorial expenses; (h) expenses reimbursed to F&B Operator pursuant to the provisions of this Agreement; (i) the cost of typical office supplies, printing and postage required by F&B Operator in connection with the F&B Operation; (j) amounts representing the direct cost of meals or other services provided as compensation to Employees; (k) credit card commissions; (l) the F&B Operation's proportionate share of all shared costs incurred by Owner which are shared services provided to both the F&B Operation and the Hotel operation;

which proportionate share of such costs shall be determined in good faith by Owner; (m) any and all other direct and reasonable costs associated with the operation of the F&B Operation which are not excluded under any other provision of this Agreement; (n) the Annual Fee; and (o) the costs related to F&B Complimentaries.

"**F&B Operation IP**" shall have the meaning set forth in Section 10.8.

"**F&B Operation Receipts**" shall mean, for the F&B Operation, for any period, determined on an "accrual basis," all receipts, revenues or income of any kind directly attributable to the F&B Operation, and from permitted concessions or any business interruption proceeds (but only to the extent attributable to lost F&B Operation Receipts) and other insurance proceeds intended to cover the F&B Operation or the insured from lost receipts and any other receipts, payments, revenue, or income of any kind directly attributable to the F&B Operation; provided, however, "F&B Operation Receipts" shall not include the following: (a) gratuities or service charges added to guests' bills or statements which are paid over to Employees; (b) VAT or other excise, sales, use or rent taxes collected directly from patrons or guests as part of or as an addition to the sales price of any goods or services; (c) any proceeds or other economic benefit of any borrowings; (d) any funds furnished by Owner; (e) insurance proceeds (other than business interruption and lost receipts proceeds to the extent included above); (f) condemnation awards, litigation damages and settlement payments (except to the extent such awards, damages or payments are intended to reimburse the F&B Operation or the parties from lost F&B Operation Receipts and/or to the extent fees, costs or other expenses incurred in connection with any such litigation or settlement have been included in F&B Operation Expenses for any period); (g) proceeds of collection of accounts receivable to the extent the amount of any accounts receivable was previously included in F&B Operation Receipts; (h) proceeds of the sale of any FF&E; (i) any amounts charged to the F&B Operation's customers' credit cards or charge cards which are uncollected as of the date on which the Base Management Fee becomes due and payable (provided, however, that if any such amount is later collected, such amount shall be included within F&B Operations Receipts for the month in which such amount is collected); (j) the amount of any F&B Operator Complimentaries or Owner Complimentaries; and (k) any rental revenue from any banquet or meeting spaces at the Hotel, or any revenue from any audio/video rentals in connection with the rental of any banquet or meeting spaces at the Hotel.

"**F&B Operation Trade Mark**" shall mean the Restaurant Names and all rights and interests, whether registered or unregistered, in any other names, logos or marks other than the F&B Operator IP (or Hotel Operator IP) used in connection with the F&B Operation.

"**F&B Operator**" shall have the meaning set forth in the introductory paragraph.

"**F&B Operator Indemnified Person**" shall have the meaning set forth in Section 20.2.

"**F&B Operator IP**" shall mean the F&B Operator Trade Marks and all rights and interests, whether registered or unregistered, throughout the world, in the F&B Operator Trade Marks and any other names, logos or marks other than the Hotel Operator IP.

"**F&B Operator Trade Marks**" shall mean the registered trademarks described in Schedule A to this Agreement, as such Schedule A may be amended and supplemented from time to time by the parties.

"**FF&E**" shall mean the furniture, fixtures and equipment required for the F&B Operation, including, without limitation, built-in serving or service furniture, room furniture, fixtures, carpeting, decorative millwork, decorative lighting, speakers and sound system, plantings, artifacts and artwork, interior and exterior graphics and signage.

"**Financial Statements**" shall collectively mean a profit and loss statement and a balance sheet.

"**Force Majeure Event**" shall have the meaning set forth in Section 17.1.

"**GAAP**" shall mean generally accepted accounting principles as applied in the United States, consistently applied.

"**Gross Operating Profit**" shall mean, for any time period, F&B Operation Receipts for such time period, reduced by F&B Operation Expenses for such period, provided, however, that for purposes of this definition, in determining the amount of F&B Operation Expenses, no Incentive Fee paid, payable or accrued pursuant to this Agreement during any such time period, shall be included in F&B Operation Expenses.

"**Hotel**" shall have the meaning set forth in the Recital A.

"**Hotel Guest Records**" shall, subject to Section 10.11, mean all guest contact information, guest profiles, guest histories, guest preferences and other guest information in the customer database of Owner, Hotel Operator or its Affiliates which is maintained or obtained by Owner, Hotel Operator, or its Affiliates, from: (i) guests of the Hotel; (ii) guests of any hotel or similar facility which Owner, Hotel Operator, or its Affiliates, owns, leases, licenses, manages, or franchises; (iii) Hotel Operator's sales and reservation operations; (iv) Owner or Hotel Operator's websites; (v) Hotel Operator's guest loyalty or rewards programs; and (vi) any other sources or databases maintained by Owner, Hotel Operator or its Affiliates. For the purposes of this definition, "guest" shall include customers of any hotels or other facilities owned, leased, operated, or licensed by Owner, Hotel Operator or its Affiliates, and any customers of any of the facilities associated with such hotels.

"**Hotel Management Agreement**" shall have the meaning set forth in the Recital B.

"**Hotel Operating Standards**" shall mean the levels of quality and service consistent with Hotel Operator's Brand Standards.

"**Hotel Operator**" shall have the meaning set forth in the introductory paragraph.

"**Hotel Operator IP**" shall mean the Hotel Operator Trade Marks and all rights and interests, whether registered or unregistered, throughout the world, in the Hotel Operator Trade Marks and any other names, logos or marks other than the F&B Operator IP that may be used by Hotel Operator or its Affiliates from time to time.

"**Hotel Operator Trade Marks**" shall mean the registered trademarks described in Schedule B to this Agreement, as such Schedule B may be amended and supplemented from time to time by the parties.

"**Incentive Fee**" shall have the meaning set forth in Section 8.4.2.

"**Indemnified Party**" shall have the meaning set forth in Section 20.3.

"**Indemnifying Party**" shall have the meaning set forth in Section 20.3.

"**Initial Capital Expenses**" shall mean those Capital Expenses incurred by Owner in connection with the F&B Operation prior to the Renovation Completion Date, including but not limited to: (a) all capital items that are capitalized according to GAAP, are necessary for the build-out of the F&B Operation whether or not included in the Renovation Expense Budget; and (b) the cost of the development of the F&B Operation, including its detailed design, construction, fitting-out and decoration, the purchase of all FF&E, the Development Fee and the Working Capital required for the initial F&B Operation.

"**Laws**" shall mean all statutes, ordinances, laws, rules, regulations, orders and determinations affecting or issued in connection with the management, operation or use of the F&B Operation by any governmental authority having jurisdiction thereof, including without limitation, the City.

"**Liquor License**" shall mean the liquor license or licenses pursuant to which F&B Operator will operate the alcoholic beverage operations at the F&B Operation.

"**Mitigation Event**" shall mean any of the following: (i) the existence of unrepaired damage or destruction to a material portion of the Hotel or the F&B Operation, (ii) the occurrence or continuation of any Force Majeure Event that has an impact on the F&B Operation and/or the Hotel, (iii) any remodeling or relocation of the F&B Operation, or (iv) if the F&B Operation or any portion thereof is closed or ceases operations as a result of any actions of Owner or in connection with any rights exercised by Owner which result in such closure or cessation of operations.

"**Mortgage**" shall mean any mortgage, deed of trust or similar document, as the context may require, encumbering the Hotel which may now or hereafter be outstanding.

"**Opening Date**" shall mean the date when F&B Operator takes over operation of the F&B Operation, and when, as publicly announced, the Hotel and F&B Operation are formally opened to the public for the regular conduct of business as determined by Owner. The Opening Date is anticipated to be January 1, 2019.

"**Operating Standards**" shall mean collectively, the F&B Operating Standard and the Hotel Operating Standards; provided, however, except as may be expressly set forth herein to the contrary, in the event of a conflict between any of the standards, the Hotel Operating Standards shall control.

"**Other Companies**" shall have the meaning set forth in Section 12.2.

"**Working Capital**" shall mean from time to time, the financial contributions required in order to fund the operation of the F&B Operation after the Opening Date, excluding the cost of purchase of capital items but including any amounts required to pay the Annual Fee, Base Management Fee and/or the Incentive Fee.

2. Engagement of F&B Operator

2.1 Engagement by Owner. As more fully described in, and subject to the terms and conditions of, this Agreement, Owner hereby engages F&B Operator to operate and manage the F&B Operation throughout the Term.

2.2 Overview of F&B Operator's Responsibilities. F&B Operator shall have full responsibility for the operation, management, direction and supervision of the F&B Operation, subject to (i) the approval by Owner of the Renovation Expense Budget and each Approved Annual Plan, (ii) the limitations set forth in this Agreement, and (iii) Owner's express rights under this Agreement to approve specified matters. Subject to (i)-(iii) above, F&B Operator shall have all rights, powers and authorities which in the exercise of its prudent business judgment F&B Operator deems necessary or proper for it to manage and operate the F&B Operation in accordance with terms and provisions of this Agreement.

2.3 Acceptance of Engagement. F&B Operator accepts such engagement and agrees to operate and manage the F&B Operation, and to provide all and any other services under this Agreement (i) in a commercially prudent and professional manner; (ii) with the degree of skill and care that can reasonably be expected of someone holding themselves out as skilled and experienced in the provision of restaurant, food and beverage management, and other services at a hotel, which F&B Operator is appointed under this Agreement to provide; (iii) subject at all times to compliance with the Operating Standards, in an economical, efficient and cost effective manner so as to maximize Gross Operating Profit of the F&B Operations over the Term; and (iv) in accordance with the terms and conditions set forth in this Agreement and the Operating Standards.

2.4 No Unlawful Activities. F&B Operator shall not use any portion of the F&B Operation and shall not knowingly permit any portion of the F&B Operation to be used, for any unlawful purpose by any of its officers, employees, agents, subcontractors or guests or other persons related to F&B Operator.

2.5 Relationship of the Parties. Owner, Hotel Operator, and F&B Operator acknowledge and agree that F&B Operator shall be an independent business entity and not Owner's or Hotel Operator's employee, partner, joint venturer or subcontractor. F&B Operator has no authority or power to bind, to contract in the name of, or to create a liability for Owner or Hotel Operator except as expressly set out in this Agreement. F&B Operator shall have no legal or beneficial ownership interest in the Hotel, the F&B Operation or its business and nothing in this Agreement shall create, or be interpreted as creating, any such interest in favor of F&B Operator.

2.6 Related-Party Agreements. In the event F&B Operator or any employee, officer, director, stockholder, partner or member of F&B Operator or any of its Affiliates shall own any direct or indirect interest of any kind in, or control or be a director, officer, employee or partner of, or consultant to, or have the right to participate in the profits of, any entity or person which

F&B Operator desires to provide services to, be a supplier to, or may otherwise do business with the F&B Operation, then F&B Operator shall disclose such relationship to Owner and Hotel Operator prior to entering into any agreement with such related entity or person and F&B Operator shall not enter into any such agreement without Owner's prior written consent, which may be withheld in Owner's sole discretion.

3. Term

3.1 Term. Subject to Section 3.2 below, the term of this Agreement (the "**Term**") shall commence on the Opening Date and shall expire on the later of (i) the date which is the last day of the month in which the tenth (10^{th}) anniversary of the Opening Date occurs, or (ii) the expiration date of the Hotel Management Agreement for the Hotel, unless sooner terminated or extended as set forth herein; provided, however, that Owner, in its sole discretion, may elect to extend the Term for an additional seven (7) years by providing written notice to F&B Operator of Owner's election to extend the Term no later than four (4) months before the date that the Term would otherwise terminate.

3.2. Conditions Precedent to Effectiveness. Notwithstanding anything contained herein to the contrary, the effectiveness of this Agreement shall be conditioned upon F&B Operator reaching agreement with UNITE HERE Locals 1 and 450 (the "Union") for the assumption of the Hotel CBA (as defined and described below).

4. F&B Operator's Pre-Opening Obligations

4.1 Pre-Opening Responsibilities. Owner shall be responsible for managing the detailed design, construction, fitting-out works and decoration (including all relevant tender processes) of, and purchasing of FF&E for, the F&B Operation, both before the Opening Date and before the Renovation Completion Date. F&B Operator shall render all reasonable assistance required by Owner in connection therewith and, in particular in the preparation of a Capital Expense budget for the detailed design of the F&B Operation and its subsequent construction, fitting-out, decoration, furnishing and equipping.

4.2 F&B Operator's Additional Responsibilities. During the period beginning on the Effective Date until the Opening Date, F&B Operator shall also perform the following services:

(a) F&B Operator shall assist Owner in preparing an expense budget for both the period prior to the Opening Date and for the initial renovation of the Hotel (as approved by the Owner, the "**Renovation Expense Budget**") for the F&B Operation based on information provided to F&B Operator by Owner in accordance with the terms hereof. Owner and F&B Operator acknowledge that Owner will regain possession of the Hotel on the Opening Date and that on such date, F&B Operator will commence its services with respect to the F&B Operations. During the period between the Opening Date and the Renovation Completion Date, however, the Owner will be undertaking an extensive renovation of the Hotel, including without limitation the F&B Operations. Such budget shall include but shall not be limited to estimated costs for opening supplies, payroll, ground travel, printing, marketing and promotion, uniforms, linen, tableware, opening parties, non-perishable food items, glasses, and glassware, china, kitchen smallwares, silverware, table tops, plates, linens, silverware, point of sale equipment, artwork, computers,

security systems, dining room supplies, employee apparel and menus, and all other utensils and all costs and expenses, (other than those in relation to any building and fitting-out works) ordinarily occurred in the pre-opening and opening of a new F&B Operation (collectively, the "**Renovation Expenses**"), broken out by those items required on or before the Opening Date and those items required after the Opening Date and on or before the Renovation Completion Date. Owner shall be responsible for the payment of all Renovation Expenses of the F&B Operation set forth in the approved Renovation Expense Budget or otherwise approved by Owner. Owner shall reimburse F&B Operator for any out-of-pocket Renovation Expense that F&B Operator incurs in accordance with this Agreement and set forth in the approved Renovation Expense Budget or otherwise approved by Owner, within thirty (30) days of presentation of invoice; provided, however, F&B Operator shall not mark-up or earn a profit with respect to any costs F&B Operator is paid or reimbursed hereunder.

(b) F&B Operator shall have principal responsibility for:

(1) identifying, recruiting and training the Executive Manager, the Executive Chef and the Assistant Executive Manager (collectively, the "**F&B Operation Executive Staff**"), who shall in turn identify, recruit and train the other Employees. Owner shall have approval rights over the hiring and replacement of all of the F&B Operation Executive Staff members, which approval rights shall not be unreasonably withheld, conditioned or delayed, and F&B Operator, with input from Owner, shall establish and determine the compensation payable to the F&B Operation Executive Staff and all Employees, which compensation shall be agreed upon as part of the Annual Budget process or otherwise between the parties, and shall be comparable to the compensation levels within the Hotel's competitive market;

(2) supervising Employees, including developing a training program and training manual;

(3) any and all liabilities and obligations arising under or associated with the Hotel CBA and any other union collective bargaining agreements which may be applicable to the F&B Operations (collectively, the "CBAs");

(4) sourcing vendors for food and beverage needs and other purchasing for the F&B Operation in accordance with the Operation Standards, the approved Renovation Expense Budget and the approved Initial Annual Plan (or otherwise with the consent of Owner);

(5) coordinating with Owner the ordering by F&B Operator, as set forth in the approved Renovation Expense Budget, as a F&B Operation Expense, of all necessary food and beverages and other supplies required for the F&B Operation's opening;

(6) providing qualified personnel to assist in fulfilling F&B Operator's obligations under this Agreement;

(7) selecting and coordinating with Owner the ordering by F&B Operator, in accordance with the approved Renovation Expense Budget, all items falling within the definition of Renovation Expenses to the extent such items are to be selected by F&B Operator in accordance with the terms hereof and have not otherwise already been ordered or supplied by Owner; and

(8) determining the food and beverage menus for the F&B Operation, all consistent with the Operating Standards, provided that F&B Operator can seek Owner's and Hotel Operator's input on the food and beverage menus and any changes thereto.

4.3 Employees' Handbook and Employment Contracts. F&B Operator shall at all times implement, maintain and enforce compliance with an employee handbook and employee code of conduct and rules that comply with all Laws and all CBAs and do not conflict with the Operating Standards. F&B Operator shall at all times comply with the terms and conditions of any formal offers of employment to Employees and related contracts of employment, all to the extent consistent with this Agreement.

4.4 Public Relations. F&B Operator, Hotel Operator and Owner shall consult and agree on plans to market and conduct public relations on behalf of the F&B Operation. F&B Operator shall assist Owner or Hotel Operator in organizing and planning opening events as the parties may mutually agree, such agreement not to be unreasonably withheld.

4.5 ACDBE Efforts. This Agreement is subject to the requirements of the U.S. Department of Transportation's regulations at 49 C.F.R. Parts 23 and 26, as amended from time to time. The City has implemented an Airport Concession Disadvantaged Business Enterprise ("ACDBE") Program under which qualified firms may have the opportunity to participate in the ownership and operation of Airport concession businesses. F&B Operator represents and warrants that, as of the Effective Date, it is a duly recognized and qualified ACDBE and F&B Operator recognizes that Owner will count F&B Operator's gross receipts from the F&B Operations towards Owner's ACDBE goals. F&B Operator shall not take any action, including without limitation, selling, assigning or otherwise transferring all or portion of the control of its business, without the Owner's prior written consent which will cause the Owner to cease its ability to count F&B Operator's participation towards Owner's ACDBE goals. An ACDBE goal of fifteen percent (15%), as measured by total estimated annual Gross Receipts from the Hotel (including all gross receipts from the F&B Operations) following the Effective Date has been established for the Hotel under the Hotel Management Agreement.

During the Term, F&B Operator shall provide the City with an annual report (or as more frequently as may be required by the City) in the format required by the FAA evidencing F&B Operator's good faith efforts to use ACDBEs (certified either by the City or pursuant to the Illinois Unified Certification Program) in the operation and supply of the F&B Operations, including F&B Operator's purchase of goods and services from ACDBEs. Subsequent to the Opening Date, purchasing from and installation of FF&E by ACDBEs may be counted as ACDBE participation.

F&B Operator acknowledges that the Special Conditions Regarding ACDBE Participation attached hereto as Schedule D shall be utilized by the Owner in evaluating whether F&B Operator has used good faith efforts to assist the City in reaching such goal. The Parties will consider such

Special Conditions Regarding ACDBE Participation as part of the discussion and collaboration by the Parties in establishing the Legal Compliance Policies pursuant to Section 13.5. Failure to comply with this Section 4.5 by the F&B Operator shall be a default under this Agreement.

F&B Operator shall provide all information and reports as may be required by the City and shall permit access to F&B Operator's books, records and accounts and facilities (other than F&B Operator IP and Hotel Employee records) to determine compliance with this Section. Commencing on the Opening Date and continuing thereafter during the Term, F&B Operator shall provide semi-annual reports to the City (in addition to the annual report referenced above). Said reports shall be in a format acceptable to the City and shall provide the level of ACDBE participation for the period in question and on a year-to-date basis, including the percentage of F&B Operations Receipts attributable to each ACDBE entity. To the extent ACDBE participation is in the form of joint venture, F&B Operator (or a consultant at F&B Operator's expense) will be responsible to work with and assist the certifying agency in the evaluation of the work performed by the ACDBE with the ACDBE's own forces to ensure that it meets the F&B Operator's stated ACDBE goals in accordance with the FAA's ACDBE joint venture guidance. During the Term, F&B Operator shall prepare, and the CDA shall be responsible for submitting, any and all ACDBE reports to the FAA.

F&B Operator agrees to insert appropriate provisions regarding ACDBE compliance in all subcontracts or other agreements entered into as agent on behalf of the City with ACDBEs relating to maintaining records of and reporting ACDBE participation in agreements covering work under this Agreement and to use its commercially reasonable efforts to enforce compliance of all ACDBE contractors with the requirements of those provisions.

5. Preparation of Annual Plans

5.1 Annual Plans. From time to time throughout the Term, on a schedule consistent with the budgeting timeline of the Hotel, and in no event later than October 1 of each year, F&B Operator shall review prior year's annual plan and revise and submit to Owner and Hotel Operator, for Owner's comment and approval, a proposed annual plan (the "**Annual Plan**") for the subsequent calendar year (or portion thereof, if applicable) of the Term. Each Annual Plan (including the Initial Annual Plan) shall be on a form template provided by Hotel Operator, and shall include, without limitation:

(a) F&B Operator's reasonable estimate (on a monthly basis) of F&B Operation Receipts, F&B Operation Expenses, Gross Operating Profit, planned Capital Expenses and amounts Owner will be required to provide as Working Capital or to fund as Capital Expenses during the next year, itemized in a reasonable manner;

(b) a compensation plan for all Employees, including without limitation, management positions, bartenders, wait staff and kitchen staff (including bonuses in accordance with Hotel Operator's policies and procedures) for such Employees;

(c) a description of the current legal status of pending or threatened suits, actions, proceedings, grievances, arbitrations, inquiries, or investigations concerning the F&B Operation;

(d) a comparison of budgeted revenue and expense levels to the previous year's estimated actual results; and

(e) any other matter deemed appropriate by F&B Operator or reasonably requested by Owner consistent with the responsibilities of F&B Operator set forth in this Agreement.

5.2 Owner's Approval. Each party shall provide to the other with all guidance and input with respect to the Initial Annual Plan and any subsequent Annual Plan as the parties shall reasonably require. Subject to the terms and conditions of this Agreement, Owner, in consultation with Hotel Operator, shall have the right, in its sole discretion, to approve or disapprove any Annual Plan (including the Initial Annual Plan), including, without limitation, any Capital Expenses provided for in the Initial Annual Plan or any subsequent Annual Plan.

5.3 Owner's Objections. With respect to any Annual Plan other than the Initial Annual Plan, if Owner does not submit its written objections to such Annual Plan within sixty (60) days after F&B Operator's submittal of such Annual Plan to Owner, Owner shall be deemed to have approved such Annual Plan. Owner's objections to a proposed Annual Plan shall include a reasonably detailed explanation of each objection. If Owner fails to approve a proposed Annual Plan, or a portion thereof, and if Owner and F&B Operator fail to resolve their differences with respect thereto prior to the commencement of the year to which such Annual Plan relates (or as to any subsequent revision of a previously approved Annual Plan submitted by F&B Operator), only those portions of the Annual Plan approved by Owner shall be implemented, and, as to those provisions as to which Owner disapproves, the prior year's approved Annual Plan shall be deemed in effect until such time as agreement is reached on such disapproved provisions by the parties or such dispute is resolved in accordance with Section 18.2.

5.4 Operation in Accordance With Annual Plan. F&B Operator shall use commercially reasonable efforts to operate the F&B Operation in accordance with the Approved Annual Plan (including, for the avoidance of doubt, the approved Initial Annual Plan). F&B Operator shall have the right to enter into any agreement or transaction with respect to the F&B Operation that is consistent with this Agreement and an Approved Annual Plan. F&B Operator shall obtain Owner's prior written consent, which shall not be unreasonably withheld, to enter into any other agreement or transaction with respect to the F&B Operation; provided, however, subject to the Approved Annual Plan, F&B Operator shall be permitted to enter into an agreement or transaction with respect to the F&B Operation if the term of such agreement is less than twelve (12) months, and is terminable upon thirty (30) days' notice without payment or penalty.

5.5 Complimentary Benefits.

(i) Owner may authorize Hotel Operator and senior management and sales staff of the Hotel to provide complimentary and discounted food and beverages from the F&B Operation for purposes of business promotion and patron goodwill (including but not limited to free or discounted meals to select customers, industry professionals, travel agents or event coordinators). Such complimentary and discounted food and beverages shall be provided in accordance with the Hotel's then current policies and procedures regarding complimentary benefits, and shall be referred to as the "**Owner Complimentaries**." The Owner Complimentaries shall not be included in the F&B Operation Receipts whether for purposes of determination of the Annual Fee, the Base

Management Fee, the Incentive Fee or satisfaction of the Performance Thresholds pursuant to Section 15. All costs and expenses associated with any Owner Complimentaries, including but not limited to cost of goods sold and cost of salaries and benefits of Employees, shall be included in the F&B Operation Expenses for all purposes hereunder.

(ii) F&B Operator may authorize or otherwise provide complimentary and discounted food and beverages from the F&B Operation (the "**F&B Complimentaries**"), for purposes of business promotion and patron goodwill in accordance with the limits set forth below. The F&B Complimentaries shall not be included in the F&B Operation Receipts whether for purposes of determination of the Annual Fee, the Base Management Fee, the Incentive Fee or satisfaction of the Performance Thresholds pursuant to Section 15. The cost and expenses of the F&B Complimentaries, including costs of goods and cost of salaries and benefits for Employees, shall be included in the F&B Operation Expenses. Except for any greater percentage as may be set forth in any applicable Approved Annual Plan, such F&B Complimentaries shall not exceed, with respect to the restaurant and bar/lounge portions of the F&B Operation, one-half percent (0.5%) of the F&B Operation Receipts each year of the Term.

6. F&B Operator's Obligations and Duties After the Opening Date

6.1 Operating Standards. During the Term, F&B Operator shall operate and maintain the F&B Operation in a manner consistent with, and no lower than, the Operating Standards.

6.2 Hours of Operation. Subject to all of the terms and conditions of this Agreement and applicable Laws, F&B Operator and Owner, through the Hotel Operator, shall from time to time mutually agree on hours of operation for the various components of the F&B Operation that are usual and customary for a food and beverage operation within a hotel comparable to the Hotel in accordance with the Operating Standards, and that are intended to maximize profitable F&B Operation Receipts and Gross Operating Profits.

6.3 Sale of Food and Alcoholic Beverages. F&B Operator shall operate the F&B Operation for the purpose of on-premises and retail sale of food, non-alcoholic beverages, and alcoholic beverages. Owner, Hotel Operator and F&B Operator shall cooperate with each other to ensure that the Liquor License is and remains valid during the Term.

6.4 Additional Duties. Without limiting the forgoing, and in addition to the continuation of the responsibilities and duties of F&B Operator elsewhere in this Agreement, F&B Operator, **as an F&B Operation Expense**, shall:

(a) in accordance with the Approved Annual Plan and consistent with the Hotel CBA, procure the arrangements for cleaning of the F&B Operation on a daily basis in order to keep the F&B Operation in a clean, neat and orderly condition and promptly notify Hotel Operator of the need to make repairs to the F&B Operation or to any of the equipment servicing the F&B Operation;

(b) keep the F&B Operation free from vermin, rats, mice and insects, and procure the arrangements for fumigation services;

(c) procure, subject to the Approved Annual Plan, such supplies and merchandise as F&B Operator reasonably requires in order to operate the F&B Operation;

(d) subject to the Approved Annual Plan, operate the F&B Operation with adequate FF&E which, when initially installed, and at all times thereafter, shall be maintained and replaced, and owned, by Owner at Owner's sole cost and expense, in good order and condition, functional, sufficient and of first-class quality, design and workmanship, reasonable wear and tear excepted;

(e) handle and dispose of all rubbish, garbage and waste from the F&B Operation in areas Hotel Operator reasonably designates from time to time, clean hoods and remove grease traps, all in accordance with the reasonable regulations Hotel Operator establishes therefore and not permit the accumulation of any rubbish, garbage or waste in, on, or about any part of the F&B Operation;

(f) supervise the work of each of the Employees of the F&B Operation, including, without limitation the F&B Operation Executive Staff;

(g) receive, consider and handle (through Employees) the complaints of patrons and Employees in a manner consistent with the requirements of the Hotel CBA and the levels of service and professionalism of the Hotel, maintain a record of the date and nature of all complaints received and the handling thereof and promptly report to Owner and Hotel Operator all material complaints and responses thereto;

(h) maintain a passing health grade with respect to the F&B Operation at all times;

(i) cause the F&B Operation to comply with all Laws;

(j) provide reasonable cooperation (at Owner's sole cost and expense) with legal representatives designated by Owner in connection with all necessary legal actions or proceedings to collect sums payable to Owner and to protest or dispute in any court or other forum any violation, order, rule or regulation affecting the F&B Operation;

(k) arrange with Hotel Operator for the direct billing to the rooms of Hotel guests who patronize or utilize the F&B Operation;

(l) subject to the limitations set forth in Section 11, cooperate with Owner and Hotel Operator, at Owner's sole cost and expense, in all reasonable respects in all advertising programs for the Hotel and the F&B Operation and engage in the promotion of the F&B Operation;

(m) establish food and beverage menus, including prices, for the F&B Operation;

(n) cooperate with Owner and Hotel Operator to obtain and thereafter maintain all necessary licenses and permits (including without limitation the Liquor License) to permit the sale of food and alcoholic beverages in the F&B Operation and comply with (A) all laws of any governmental authority having jurisdiction over the F&B Operation, (B) any direction or occupancy certificate validly issued by any public officer pursuant to any law, the terms of which are disclosed to F&B Operator in writing, (C) the provisions of all insurance policies maintained in respect of the F&B Operation under the terms of this Agreement, and (D) all orders and

requirements of any governmental body or agency which has jurisdiction over the F&B Operation; and

(o) cause a representative of F&B Operator, who may be a member of the F&B Operation Executive Staff, to attend no less than semi-annual operational meetings conducted by the Hotel Operator.

6.5 Labor Relations; Employees.

(a) F&B Operator shall assume and become a party to the Collective Bargaining Agreement between Hotel Operator and the Union (the "Hotel CBA"), and shall be the sole employer of all existing bargaining unit employees who work in F&B Operations. In that regard, as the successor to the F&B Operations, F&B Operator shall assume all rights, liabilities and obligations associated with the Hotel CBA from Hotel Operator and shall employ all existing bargaining unit employees who work in F&B Operations, subject to changes in the level of staffing, pursuant to the terms and conditions of the Hotel CBA. After the assumption by F&B Operator, Hotel Operator shall no longer employ any of the employees represented by the Union at the Hotel who work in the F&B Operations or be bound by the Hotel CBA for any liabilities or obligations that arise thereunder relating to the F&B Operations after the date of assumption. F&B Operator shall be required to retain the Employees' original dates of hire with the Hotel for seniority purposes and maintain existing levels of vacation, paid sick leave, and any other benefits available to or accrued by current Employees as they exist at the time F&B Operator assumes the Hotel CBA.

(b) F&B Operator agrees that any successor CBA to the current Hotel CBA shall provide increases to economic terms (e.g., classification wage rates, health and welfare, pension contributions and other economic benefits) equal to the corresponding increases allocated by the Union at the Hilton Chicago pursuant to the terms of such hotel's then-current Collective Bargaining Agreement with the Union.

(c) In addition to F&B Operator's obligations under this Agreement, it is expressly acknowledged and agreed by F&B Operator that it is F&B Operator's responsibility to follow all applicable requirements, including applicable work rules, side letters, memoranda of understanding or agreement, grievance settlements, and established past practices, of the Hotel CBA as to all work to be performed under this Agreement, as existing and as may be revised in any successor CBA or other amendments or agreements relating thereto. F&B Operator acknowledges receipt of the Hotel CBA, and that at all times as of the Effective Date of this Agreement, F&B Operator must take immediate action to correct its failure to adhere to any of the applicable provisions in the Hotel CBA or successor CBA, and shall promptly advise Owner and Hotel Operator of any such failure. F&B Operator further agrees that it shall not, through any act or omission, cause Hotel Operator to breach any provision of the Hotel CBA or a successor CBA or any agreements or obligations relating thereto. F&B Operator further agrees that it shall not engage in any act or omission resulting in a labor dispute or threatened labor dispute between Hotel Operator and the Union that has or may have any adverse effect on Hotel Operator's business, operations, customer service, customer relations, community relations, government relations, employee relations, or its labor relations with the Union. In the event Hotel Operator notifies F&B Operator of any act or omission having any such adverse effect, F&B Operator shall immediately

take all actions necessary and appropriate to correct the situation. F&B Operator acknowledges and understands that this Agreement is subject to termination in the event of egregious and/or willful and/or repeated violations of the Hotel CBA or any successor CBA or any amendments or agreements related thereto, including, but not limited to, applicable written work rules.

(d) Subject to Section 6.5(a) above, F&B Operator shall hire, supervise, direct, and control all Employees in accordance with, and subject to, the terms and provisions of this Agreement. F&B Operator shall be the sole employer of all Employees and shall provide, all required human resources functions including, but not limited to, oversight and administration of hiring, discipline, termination of employment, payroll, and the Hotel CBA with respect to any and all Employees that F&B Operator employs. As set forth in the Approved Annual Plan, all labor and benefit costs of all Employees shall be an F&B Operation Expense.

(e) F&B Operator shall retain facially valid I-9 Forms provided by Hotel Operator for Employees referenced in this Section 6.5 without re-verifying the work authorization status of any such Employee for whom Hotel Operator provides a facially valid I-9 Form. This provision concerning I-9 Forms shall not apply where applicable Law obligates F&B Operator to require bargaining unit employees represented by the Union to complete new I-9 Forms, and shall not prohibit F&B Operator from taking reasonable actions and/or requiring such employees to take reasonable actions to correct material omissions and errors in I-9 Forms received from Hotel Operator. Nothing in this provision shall be construed to require F&B Operator or any successor entity for the F&B Operations to employ individuals who are not authorized to work in the United States, or to prohibit F&B Operator or any successor management entity from conducting an E-Verify review of I-9 Forms received from Hotel Operator if such E-Verify review is mandated pursuant to F&B Operator's or successor's status as a Federal Government contractor or by other provision of Law.

6.6 Limitations on F&B Operator's Authority. F&B Operator shall not, at any time:

(a) knowingly permit any person or entity to use or occupy any portion of the F&B Operation except for F&B Operation patrons or permit any person or entity to manage or operate all or any portion of the F&B Operation or otherwise perform any of F&B Operator's duties or responsibilities under this Agreement;

(b) operate the F&B Operation or any portion thereof in violation of any Law, or for any immoral purpose or in a manner inconsistent with the Operating Standards;

(c) use, or knowingly permit to be used or obstructed, any corridor, or the sidewalk or any other space outside the F&B Operation for display, sale, storage, or any other similar undertaking or allow the F&B Operation or any portion thereof to be used for housing accommodations or sleeping purposes;

(d) use, or knowingly permit to be used, any advertising medium with respect to the F&B Operation that have not been subjected to the collaborative efforts contemplated by Section 11;

(e) operate any coin or token-operated gaming, amusement, or vending devices without Owner's prior written consent in each instance, which consent may be withheld in Owner's sole and absolute discretion;

(f) mortgage, pledge, grant a security interest in or otherwise encumber or cause a lien to be placed upon all or any part of the F&B Operation or the property located therein or used in connection therewith (other than standard equipment leases), or any of Owner's monies generated by the F&B Operation, or any intangible rights associated with the F&B Operation;

(g) make any alterations, changes or improvements, or otherwise perform any work, in, to or on the F&B Operation or any other portion of the Hotel, except for (A) minor and routine repairs and maintenance, and (B) alterations, changes or improvements included in an Approved Annual Plan, without the Owner's prior written consent in each instance, which consent may not be unreasonably withheld;

(h) incur any liabilities or obligations to third parties in connection with the F&B Operation which are unrelated to the operation, maintenance and security of the F&B Operation or to the performance of F&B Operator's responsibilities under this Agreement;

(i) use any unreasonably large portion of the F&B Operation for office, clerical or other non-selling purposes not related to the food and beverage operations of the F&B Operation or perform therein any other business of F&B Operator or of any other person or entity;

(j) commence any litigation in the name, or on behalf, of Owner without Owner's prior written consent, which may be withheld in Owner's sole discretion;

(k) subject to Section 5.4, enter into any contracts or agreements on behalf of Owner, without Owner's prior written consent, which may be withheld in Owner's sole discretion;

(l) pay any additional compensation, bonuses, commissions or other incentives to Employees beyond any such amounts set forth in an Approved Annual Plan, without the written consent of Owner, which may be withheld in Owner's sole discretion; or

(m) direct any inquiries or communications regarding any requests for banquet or catering services to be provided by the Hotel to anyone other than the banquet and catering manager of the Hotel.

6.7 Purchasing. F&B Operator shall be the party contracting to purchase and shall purchase all food, beverages, goods, services, inventory and supplies for the F&B Operation, subject to the Approved Annual Plan. F&B Operator shall submit purchase orders to Owner for prior approval for amounts above $5,000 with respect to any items not included in any Approved Annual Plan.

6.8 Point of Sale. Owner shall employ a point of sales system and related software to tabulate all F&B Operation Receipts and other customer data (the "**POS System**") as may be selected by Hotel Operator, or its Affiliates from time to time in Hotel Operator's, or its Affiliates' sole discretion. F&B Operator shall register, or cause to be registered, upon the POS System at the time of sale, all sales made upon or originating from the F&B Operation, whether for cash or

on credit, and shall comply with Hotel Operator's normal practices and procedures regarding the use of the POS System and the recordation of sales. The registration shall be made real-time at the time the sale is made and a receipt from the POS System showing the correct amount of purchase shall be produced at that time. Owner, Hotel Operator and F&B Operator shall permit each other to currently access on a real-time basis all information in or generated by the POS System. Subject to F&B Operator's obligation to utilize the POS System and to record all sales on such POS System as set forth herein, Hotel Operator shall keep and retain all sales invoices and other information generated from the POS System. Owner or Hotel Operator may, at any time, with or without prior notice to F&B Operator, inspect the POS System and F&B Operator's utilization thereof (including all real-time sales as and when made). F&B Operator hereby agrees that it (i) will not use any other point of sale system other than the POS System as specified by Hotel Operator from time to time; and (ii) will not change, modify or tamper with the approved POS System without the prior written consent of Hotel Operator, which consent may be withheld in Hotel Operator's sole discretion.

7. Accounting and Records

7.1 Daily Receipts. Through access to the POS, F&B Operator shall make available to Hotel Operator's accounting department at the Hotel, not less frequently than daily, all records of daily receipts (including cash and credit card receipts), cash and other revenues received, and all necessary statements, information, receipts, invoices and other documents with respect to expenses for the F&B Operation together with such additional information as is necessary in order for Hotel Operator's accounting department at the Hotel to, among other things, record, pay and account for all F&B Operation Receipts (including allocate all F&B Operation Receipts by venue), F&B Operation Expenses, Capital Expenses, Working Capital and other standard accounting issues in a manner consistent with the operation of the Hotel, as disclosed to F&B Operator in writing. F&B Operator shall promptly forward to Hotel Operator's accounting department at the Hotel any data which is not in Hotel Operator's possession necessary for Owner or Hotel Operator to prepare and file all necessary reports and returns; provided, however, F&B Operator shall be solely responsible for filing and paying (from the F&B Operation Receipts) all sales tax, withholding taxes, social security taxes, unemployment insurance, and disability insurance in connection with the F&B Operations. F&B Operator shall reasonably cooperate with Owner, Hotel Operator and Owner's and Hotel Operator's accountants and auditors.

7.2 Periodic Reports; Audit Rights. Hotel Operator shall, in accordance with the terms of this Agreement, record, pay and account for all F&B Operation Receipts, F&B Operation Expenses, Capital Expenses and Working Capital expenditures and other standard accounting issues and shall provide such accounting services to F&B Operator consistent with the same accounting services used in the operation of the Hotel. For the avoidance of doubt, for accounting purposes, Hotel Operator shall establish the F&B Operation as a separate division within its operations and shall keep all appropriate ledgers and accounts in relation to the F&B Operation that are consistent with the running of the same as a discrete business and a separate profit and loss center. Without limiting the generality of the foregoing, F&B Operator shall provide Owner and Hotel Operator with monthly Financial Statements not later than fifteen (15) days after the end of each calendar month. F&B Operator shall provide Owner and Hotel Operator with annual Financial Statements not more than forty-five (45) days after the end of each calendar year. Owner and Hotel Operator shall each have the right to review the monthly and annual Financial

Statements at F&B Operator's expense, at reasonable times and on reasonable notice. If Owner questions or disputes any such Financial Statements, Owner may, at F&B Operator's expense, cause the Financial Statements to be reviewed by an accredited accounting firm reasonably acceptable to both parties (the "**Accountant**"). If the Accountant determines that any sums paid or due to be paid under this Agreement by Hotel Operator on behalf of Owner to F&B Operator have been incorrectly calculated, the parties agree to be bound by the Accountant's findings in this regard and (i) Hotel Operator on behalf of Owner shall pay to F&B Operator, within thirty (30) days after any such determination, any underpayment of an amount due to F&B Operator by Owner hereunder without interest (in light of the fact that the miscalculation was committed by F&B Operator); or (ii) F&B Operator shall pay to Owner, within thirty (30) days after any such determination, any overpayment of an amount due to F&B Operator by Owner hereunder with interest in accordance with Section 22.15. The parties shall reasonably coordinate to ensure the timely and accurate exchange of financial information.

7.3 Cooperation. Each party shall cooperate with, and provide reasonable access to its records for the F&B Operation's operations during normal business hours to, the other party and such party's accountants and auditors. Such right shall survive the expiration or termination of this Agreement.

7.4 F&B Operator Reports. In addition to preparing and submitting the Initial Annual Plan to Owner and working with Owner to develop each Annual Plan in accordance with Section 5, and to complying with its obligations under Section 7.1, F&B Operator shall, as an F&B Operation Expense, prepare and deliver to Owner and Hotel Operator within thirty (30) days after the end of each applicable period the following items: (a) a pro forma/budget profit and loss statement for each subsequent quarter and a pro forma/budget cash flow statement for each subsequent quarter, (b) a list of capital expenditure requests for each subsequent quarter, (c) a staffing plan on a semi-annual basis, (d) a marketing plan for each subsequent quarter and (e) such other reports as Owner may reasonably request and as are customarily provided by F&B Operators of similar first-class F&B Operation facilities.

8. Owner's Obligations and Rights to Payment; F&B Operator's Compensation

8.1 Overview. Owner is the sole legal and beneficial owner of the F&B Operation and therefore, subject to F&B Operator's compensation provisions set forth below, is entitled to all revenues and profits from the F&B Operation and, subject to the terms of this Agreement, is also liable for all its losses and expenses.

8.2 Capital Contributions and Working Capital. Subject to Section 8.5 hereof, Owner shall provide all Capital Contributions and Working Capital required for the build-out, pre-opening, opening, renovation and operation of the F&B Operation in accordance with the Operating Standards, the Initial Capital Expenses, the approved Initial Annual Plan, the approved Renovation Expense Budget and all subsequent Approved Annual Plans. F&B Operator shall obtain Owner's approval prior to incurring any capital or operating expenses relating to the F&B Operation, other than those set forth in the approved Initial Annual Plan, the approved Pre-Opening Expense Budget and the Approved Annual Plan. F&B Operator shall never be required to provide any Capital Contributions or Working Capital required for the operation for the F&B

Operation, or to otherwise fund any Capital Expenses, Renovation Expenses, or F&B Operation Expenses.

8.3 Intentionally Omitted.

8.4 F&B Manager's Compensation. In consideration for the performance by F&B Operator of its obligations under this Agreement, Owner shall pay F&B Operator the sums set forth below.

(a) Base Management Fee. From the Opening Date, Hotel Operator, on behalf of Owner, shall pay to F&B Operator, without setoff or reduction, an annual fee for each year (the "**Base Management Fee**"), in the amount of: (i) six percent (6%) of F&B Operation Receipts, where F&B Operation Receipts are $0 to $25,000,000.00; plus (ii), seven percent (7%) of the amount of the incremental F&B Operation Receipts that are greater than $25,000,000.00 but less than $30,000,000.00; and (iii) eight percent (8%) of the amount of the incremental F&B Operation Receipts that are greater than $30,000,000.00. The Base Management Fee shall be payable in monthly installments within twenty (20) days after the conclusion of each calendar month, based on the F&B Operation Receipts for such month and a pro-rata portion of the dollar thresholds above. The dollar thresholds above (i.e. the $25,000,000 and $30,000,000 thresholds) shall be subject to an increase every five (5) years equal to the increase in the Consumer Price Index for All Urban Consumers most recently published by the Bureau of Labor Statistics of the United States Department of Labor.

(b) Incentive Fee. Hotel Operator, on behalf of Owner, also shall pay to F&B Operator, without setoff or reduction, an annual amount ("**Incentive Fee**") which shall be payable within twenty (20) days of the conclusion of each calendar quarter, equal to one percent of Gross Operating Profit, if Gross Operating Profit as a percentage of F&B Operation Receipts is greater than 30% but less than or equal to 35%; two percent of Gross Operating Profit, if Gross Operating Profit as a percentage of F&B Operation Receipts is greater than 35% but less than or equal to 40%; or three percent of Gross Operating Profit, if Gross Operating Profit as a percentage of F&B Operation Receipts is greater than 40%. For the avoidance of doubt, no Incentive Fee shall be payable if Gross Operating Profit as a percentage of F&B Operation Receipts is less than or equal to 30%. At the end of each year, there shall be a reconciliation and true-up based on the quarterly Incentive Fee payments made during such year, and the annual Gross Operating Profit for such year.

(c) SALT Fee. Hotel Operator, on behalf of Owner, shall also pay to F&B Operator, without setoff or reduction, an amount ("**SALT Fee**") which shall be payable within twenty (20) days of the conclusion of each calendar year, equal to one percent (1%) of F&B Operation Receipts, provided that F&B Operator achieves SALT scores of at least the following, for the calendar year for each and every such satisfaction category: Breakfast Satisfaction 42.2, Restaurant Satisfaction 35.8, Bar Satisfaction 43.5, and Meeting & Events Satisfaction 45.4 (the "**Minimum SALT Scores**"); it being acknowledged and agreed, however, if F&B Operator fails to achieve such Minimum SALT Scores for each and every such satisfaction category, then F&B Operator shall still be entitled to a SALT Fee of: (i) one-half percent (0.5%) of F&B Operation Receipts if F&B Operator achieves the Minimum SALT Scores for two (2) of the four (4) satisfaction

categories, or (ii) seventy-five one hundredths percent (0.75%) of F&B Operation Receipts if F&B Operator achieves the Minimum SALT Scores for three (3) of the four (4) satisfaction categories. In connection with the foregoing, Hotel Operator, on behalf of Owner, shall provide F&B Operator with a quarterly report with the quarterly SALT scores for each of the above satisfaction categories.

(d) Development Fee. In consideration for F&B Operator assisting in making necessary operational arrangements for the opening of the F&B Operation, Owner shall pay F&B Operator, as part of the Initial Capital Expenses, a development fee (the "**Development Fee**") of $75,000. The Development Fee shall be payable as follows: (i) $50,000 upon execution of this Agreement, and (ii) the remaining $25,000 payable in equal monthly installments over the remaining full calendar months in calendar year 2018.

8.5 Limitations on Owner's Liability

(a) Notwithstanding anything in this Agreement to the contrary, Owner's liability under this Agreement shall be limited solely to its interest in the Hotel including the Improvements, the Site and amounts available from Gross Receipts, and the Hotel Accounts (including, without limitation, the Operating Reserve and the FF&E Account), in each case relating to the Hotel and including proceeds available from insurance policies carried pursuant to Section 14 of this Agreement to the extent available for such purpose (collectively, the "**Owner Collateral**"); and F&B Operator shall not seek a personal judgment against Owner (except to the extent necessary to realize against the Owner Collateral) or seek to obtain a lien, levy, attachment or other charge upon any other properties or assets of Owner to enforce any claim or award for the default by Owner of its representations, warranties, covenants or other undertakings under this Hotel Agreements. Further, it is hereby agreed and acknowledged by F&B Operator that Owner's obligations for F&B Operation Expenses, Working Capital, Renovation Expenses, and Capital Contributions shall be limited solely to the Owner Collateral in accordance with this Section 8.5. The parties, together Hotel Operator, shall mutually agree upon what percentage of the Working Capital contributed by Owner for the operation of the Hotel shall be allocated to the F&B Operation.

(b) No elected official, commissioner, officer, director, employee or agent of Owner, nor any of their respective heirs, administrators, executors, personal representatives, successors and assigns, shall have any personal liability or other personal obligation to with respect to any payment, performance or observance of any amount, obligation, or liability to be paid, performed or observed under this Agreement or any of the representations, warranties, covenants, indemnifications or other undertakings of Owner hereunder. Neither F&B Operator nor its Affiliates shall seek to obtain a money judgment against any elected official, commissioner, officer, director, employee or agent of Owner, or against any of their respective heirs, administrators, executors, personal representatives, successors or assigns.

9. Access to the Hotel; Employees' Behavior

9.1 No Delegation By F&B Operator. F&B Operator shall not authorize or attempt to authorize any person, other than Employees and persons employed by (or part of the ownership of) F&B Operator to carry out the obligations of F&B Operator under this Agreement, or to come

on to the premises of the Hotel without the prior written consent of Hotel Operator (which consent shall not be unreasonably withheld).

9.2 Employees' Behavior. While on the premises of the Hotel, F&B Operator shall use commercially reasonable efforts to ensure that Employees behave in an orderly manner and in accordance with rules or any requirements which Owner or the Hotel Operator may impose on Employees from time to time and previously disclosed in writing to F&B Operator.

9.3 Refusal of Access. Owner or the Hotel Operator shall have the right to refuse access to and remove from the Hotel's premises any member of F&B Operator's staff or any of its employees, and any Employees or guest whose admission or presence would be, in the reasonable opinion of Owner or the Hotel Operator, undesirable. Such refusal of admission or removal shall not relieve F&B Operator of its obligations under this Agreement.

10. Intellectual Property

The F&B Operator IP

10.1 F&B Operator IP. Except as set out herein, F&B Operator has the right to grant the rights and licenses of the F&B Operator IP in respect of use as expressly provided herein.

10.2 License to Owner of F&B Operator IP. In consideration of Owner's performance of its obligation hereunder, F&B Operator hereby licenses the F&B Operator IP to Owner solely for use during the Term and solely for use in respect of the F&B Operation the extent necessary to effectuate the express terms of this Agreement. By virtue of this Agreement, neither Owner nor any Affiliate of Owner has or shall claim any license or any right, title or interest in or to the F&B Operator IP and/or names or any other marks or names so nearly resembling them as to be likely to deceive or cause confusion in any part of the world.

10.3 Protection of IP.

(a) Protection of F&B Operator IP.

(i) Owner shall not:

(A) adopt or use any trade mark, symbol or device which includes or is confusingly similar to, or is a simulation or colorable imitation of any of the F&B Operator IP or unfairly competes with the F&B Operator IP; or

(B) apply to register any F&B Operator IP nor any marks so nearly resembling it as to be likely to deceive or cause confusion in any part of the world.

(ii) If Owner learns of any infringement or threatened infringement of the F&B Operator IP or of any activity potentially detrimental to the F&B Operator IP or that any third party alleges or claims that the F&B Operator IP is liable to cause deception or confusion to the public, Owner shall forthwith without delay notify F&B Operator giving full particulars in its possession of such circumstances.

(iii) F&B Operator and its Affiliates shall have the conduct of all proceedings relating to the F&B Operator IP and shall in their sole discretion decide what action (including litigation, arbitration or compromise), if any, to take in respect of any infringement or alleged infringement of the F&B Operator IP or passing off or any other claim or counterclaim brought or threatened in respect of the use of the F&B Operator IP. Owner shall, at F&B Operator's cost, provide all assistance reasonably requested by F&B Operator in relation to such infringement, alleged infringement, passing off, claim or counterclaim.

(iv) In the event of any infringement or threatened infringement of the F&B Operator IP by Owner, F&B Operator and its Affiliates shall have the right, in addition to any and all other rights available to F&B Operator under this Agreement, at law, or in equity, to seek injunctive, declaratory or other type of legal or equitable relief against Owner to prevent or prohibit such activity.

(b) Protection of Hotel Operator IP.

(i) F&B Operator shall not:

(A) adopt or use any trade mark, symbol or device which includes or is confusingly similar to, or is a simulation or colorable imitation of any of the Hotel Operator IP or unfairly competes with the Hotel Operator IP; or

(B) apply to register any Hotel Operator IP nor any marks so nearly resembling it as to be likely to deceive or cause confusion in any part of the world.

(ii) If F&B Operator learns of any infringement or threatened infringement of the Hotel Operator IP or of any activity potentially detrimental to the Hotel Operator IP or that any third party alleges or claims that the Hotel Operator IP is liable to cause deception or confusion to the public, F&B Operator shall forthwith without delay notify Owner and Hotel Operator giving full particulars in its possession of such circumstances.

(iii) Hotel Operator and its Affiliates shall have the conduct of all proceedings relating to the Hotel Operator IP and shall in their sole discretion decide what action (including litigation, arbitration or compromise), if any, to take in respect of any infringement or alleged infringement of the Hotel Operator IP or passing off or any other claim or counterclaim brought or threatened in respect of the use of the Hotel Operator IP. F&B Operator shall, at Hotel Operator's cost, provide all assistance reasonably requested by Hotel Operator in relation to such infringement, alleged infringement, passing off, claim or counterclaim.

(iv) In the event of any infringement or threatened infringement of the Hotel Operator IP by F&B Operator, Hotel Operator and its Affiliates shall have the right, in addition to any and all other rights available to Hotel Operator under this Agreement, at law, or in equity, to seek injunctive, declaratory or other type of legal or equitable relief against F&B Operator to prevent or prohibit such activity.

The F&B Operation Trade Mark

10.4 Name and Use of F&B Operation Trade Mark. The parties shall mutually agree upon the name (and concept) of the restaurants of the F&B Operation (the "**Restaurant Names**"), no less than sixty (60) days prior to the anticipated Opening Date. Upon agreeing on the Restaurant Names, the parties shall mutually agree to amend this Agreement as necessary to reflect the proper ownership and rights to use and license the Restaurant Names and the F&B Operation IP, as between the parties, including, without limitation, provisions addressing each parties' rights or restrictions on the continued use of the Restaurant Names and F&B Operation IP upon a termination of this Agreement, as well as updates to Schedules A and B. Thereafter, Owner and F&B Operator shall use the F&B Operation Trade Mark solely for the purposes of giving effect to, and in accordance with, the terms of this Agreement. In particular, each party agrees that it shall not:

(a) use the F&B Operation Trade Mark in any way which would tend to allow it to become generic, lose its distinctiveness, become liable to mislead the public, or be materially detrimental or materially inconsistent with the good name, goodwill, reputation and image of Owner or F&B Operator or any of their Affiliates and/or of the F&B Operation;

(b) use the F&B Operation Trade Mark accompanied by other trademarks (whether registered or not);

(c) adopt or use any trade mark, symbol or device which includes or is confusingly similar to, or is a simulation or colorable imitation of the F&B Operation Trade Mark, or unfairly competes with the F&B Operation Trade Mark; or

(d) use the F&B Operation Trade Mark as part of any corporate business or trade name or style other than in respect of the F&B Operation.

10.5 Effect of Termination. Upon termination of this Agreement for any reason whatsoever:

(a) any and all rights of use for Owner, in relation to the F&B Operator IP, including the license granted in Clause 10.2, shall immediately come to an end; and

(b) Upon expiration or earlier termination of this Agreement for any reason, Owner shall ensure (or shall procure) that, as from such expiration or termination date of this Agreement, the F&B Operation is not held out to the public as being managed by F&B Operator or having any connection with F&B Operator or with the F&B Operator IP and shall take whatever action is necessary to reasonably (i) ensure that no use is made of any part of the F&B Operator IP (including in all forms of advertising and other indicia of operation, whether on exterior and interior signs, stationery, FF&E and operating supplies, internet sites, email addresses, brochures and other promotional material at or in connection with the Hotel, the F&B Operation or otherwise) and (ii) preclude the possibility of confusion on the part of the public that the F&B Operation is holding itself out to the public as being managed by or otherwise having any connection with F&B Operator or its Affiliates or the F&B Operator IP.

At either party's request, the other party shall do all things and execute any and all documents that are reasonably necessary or desirable to give effect to this Section 10.8.

The F&B Operation IP

10.6 Ownership of F&B Operation IP. After mutually agreeing upon the Restaurant Names, the parties shall mutually agree upon and determine which party will own the intellectual property rights (including registration rights) in relation to any other logos or marks, other than the F&B Operator IP and Hotel Operator IP, adopted by the parties pursuant to this Agreement specifically and exclusively for use in connection with the operation of the F&B Operation, (collectively, the "**F&B Operation IP**"), including without limitation:

(a) any design or other intellectual property rights in all FF&E, including all interior design and decor features (including lighting fixtures),

(b) the F&B Operation's databases and technology systems; and

(c) the F&B Operation's promotional materials, advertisements (in any media known now or hereinafter developed) newsletters and the like relating to any of the foregoing.

Except as set out in the remainder of this Agreement or as otherwise mutually agreed upon by the parties, neither party may use or exploit any of the F&B Operation IP otherwise than in connection with the F&B Operation without the prior written consent of the other party.

10.7 Protection of F&B Operation IP. At either party's request, the other party shall execute any and all documents that are reasonably necessary or desirable for registration or other protection of any of the F&B Operation IP.

10.8 Infringements. If either party learns of any infringement or threatened infringement of the F&B Operation Trade Mark or other F&B Operation IP or that any third party alleges or claims that the F&B Operation Trade Mark or other F&B Operation IP is liable to cause deception or confusion to the public, that party shall forthwith without delay notify the other party giving full particulars in its possession of such circumstances.

10.9 Conduct of Claims. Depending on which party will own the F&B Operation IP, Owner and F&B Operator shall determine which party will be responsible for undertaking all proceedings relating to the F&B Operation Trade Mark and/or other F&B Operation IP and shall determine which party will be responsible for deciding what action (including litigation, arbitration or compromise), if any, to take in respect of any infringement or alleged infringement of the F&B Operation Trade Mark or other F&B Operation IP or passing off or any other claim or counterclaim brought or threatened in respect of the use of the F&B Operation Trade Mark or other F&B Operation IP.

10.10 F&B Operation Customer Lists. The parties acknowledge that, during the course of operation of the F&B Operation, they from time to time may gather contact information and other data from customers of the F&B Operation who elect or "opt-in" to receive information from either or both of the parties (collectively, "**F&B Operation Customer Lists**"). Owner and F&B Operator jointly shall own and may each utilize (and their respective Affiliates and Hotel Operator

may utilize) the F&B Operation Customer Lists and take commercially reasonable efforts to protect the content thereof. Each party may use the F&B Operation Customer Lists for all business purposes, to the extent consistent with applicable Laws, including domestic and international privacy laws. Each party also shall use best efforts to prevent the unauthorized use, dissemination or publication of the F&B Operation Customer Lists by (i) maintaining an effective information security program; (ii) to the extent permitted by law, keeping the F&B Operation Customer Lists confidential; and (iii) taking appropriate action to secure and protect the F&B Operation Customer Lists against unauthorized, unlawful or accidental access, disclosure, transfer, destruction, loss or alteration. The Hotel Guest Records shall not be considered F&B Operation Customer Lists, and Owner and/or Hotel Operator shall have no obligation to share or provide such Hotel Guest Records in connection with the F&B Operation Customer Lists.

10.11 Hotel Guest Records. In no event shall F&B Operator have access to any Hotel Guest Records, and Owner and/or Hotel Operator shall have no obligation to provide to F&B Operator access to, or copies of, the Hotel Guest Records. If F&B Operator, in the course of operating the F&B Operation, including in obtaining reservations and bookings for the restaurant, obtains any Hotel Guest Records, from a Hotel guest, non-hotel guest, restaurant guest or otherwise, F&B Operator shall not either during or after the Term use any such Hotel Guest Records (including in marketing programs) except for the limited purposes of enhancing the service and experience of such guest at the F&B Operation, and such Hotel Guest Records shall at all times be owned, as between F&B Operator and Owner and Hotel Operator, by Owner and Hotel Operator. Upon receipt of any such Hotel Guest Records, F&B Operator shall promptly provide such information to Hotel Operator and, except as permitted above, shall destroy the original and any copies it may have of such Hotel Guest Records. Subject to compliance with all applicable Laws, however, Owner and/or Hotel Operator may (but shall not be obligated to), in their sole discretion, upon F&B Operator's requests from time to time, mail or distribute to the Hotel's customers promotional materials relating to the F&B Operation.

10.12 Legal Relief. If Owner or F&B Operator violates the terms of this Section 10, the other party shall have the right, in addition to any other rights available to it under this Agreement, at law, or in equity, to seek injunctive, declaratory or other type of legal or equitable relief against the defaulting party to prevent or prohibit such activity.

11. Advertising and Promotion

11.1 Required Promotion. Subject to Section 10.7, Owner shall utilize the F&B Operation Trade Mark and, as approved by F&B Operator, the F&B Operator IP, to promote the F&B Operation in on site and off site marketing efforts. An adequate budget for the foregoing shall be included by F&B Operator as part of the Approved Annual Plan.

11.2 Restrictions on F&B Operator. In relation to the F&B Operation, F&B Operator may not without Hotel Operator's prior written consent (which shall not be unreasonably withheld) publish any advertising or promotional material related to the F&B Operation (provided F&B Operator and its Affiliates may list it on F&B Operator's and its Affiliates' web site and may include it in any other promotional material related to F&B Operator and the F&B Operation). In order to obtain Hotel Operator's consent to any such items, F&B Operator shall provide Hotel Operator with samples or related reasonable documentation.

11.3 Cessation of Promotion. Upon receipt of a request from Owner or Hotel Operator so to do, F&B Operator shall immediately cease the use or display of any advertising or promotional material reasonably deemed inappropriate by Owner or Hotel Operator.

11.4 Consultation With Owner. Owner or Hotel Operator shall consult with and obtain the approval of F&B Operator concerning the proposed use of the F&B Operation Trade Mark by Owner or Hotel Operator in connection with any advertising, advertising material and/or broadcasts associated with the business of Owner or Hotel Operator or any of their Affiliates, including television, radio and internet broadcasts and broadcasts in any other media whatsoever.

11.5 Continued Use of Approved IP. F&B Operator shall have prior approval over the manner in which the F&B Operator IP (including, any font selection), respectively, is used by Owner or Hotel Operator, such approval to be granted or withheld in F&B Operator's sole but reasonable discretion (except as otherwise specifically provided herein). If the materials requiring the F&B Operator IP are approved by F&B Operator, then repeat, comparable uses of the F&B Operator IP are hereby deemed permissible uses and shall not require the prior written approval of the other party; provided such uses are consistent with the Operating Standards.

11.6 Other Restrictions. F&B Operator shall not, without Owner's or Hotel Operator's prior written approval, advertise or promote within the Hotel or the F&B Operation, any other restaurant, food and beverage operation or related business owned or operated by F&B Operator or its Affiliates.

12. F&B Operator's Reimbursement

12.1 F&B Operator's Reimbursable Expenses. To the extent set forth in an Approved Annual Plan or the approved Renovation Expense Budget, or as otherwise approved by Owner, Hotel Operator, on behalf of Owner, shall reimburse F&B Operator, on receipt of corresponding invoices and in accordance with the provisions of this Section 12, reasonable out-of-pocket expenses actually incurred or paid by F&B Operator which F&B Operator incurs on Owner's behalf in accordance with this Agreement; provided, however, that except as provided in Section 12.2, in no event shall Owner be obligated to pay or reimburse F&B Operator for the cost and expense of any employees hired by F&B Operator to undertake specific obligations of F&B Operator unrelated to this F&B Operation, general overhead of F&B Operator or its Affiliates, the travel expenses incurred by F&B Operator, or the costs of any consultants that F&B Manager engages or hires. Reimbursements shall be made within thirty (30) days after a statement has been submitted in an approved expense report format to Owner and Hotel Operator setting forth the nature of such expenses accompanied by corresponding invoices. All such reimbursed expenses shall be treated as F&B Operation Expenses.

12.2 Compensation Expenses. The parties acknowledge that in order to avoid the need to hire a full time Employee to provide certain services, certain employees or principals of F&B Operator may, subject to the Hotel CBA and with the prior written approval of Owner, perform services for both Owner and/or the F&B Operation, on the one hand, and restaurants and entities owned or operated by Affiliates of F&B Operator (the "**Other Companies**"), on the other hand. Subject always to Owner's prior written approval and agreement as to the appropriate allocation (which approval may be set forth by way of an Approved Annual Plan, Initial Annual Plan, Pre-

Opening Expense Budget or otherwise in writing), F&B Operator shall allocate any out-of-pocket expenses and apportion salaries and benefits of qualifying employees or agents, between the F&B Operation and the Other Companies (such agreed allocation to be fair and equitable based upon the purposes of the expenditures in question and a reasonable and good faith approximation of the time spent in service for the F&B Operation and the Other Companies) so as to cause the expenses, salaries and benefits of such employees and agents to be borne proportionately by the entities to which such employees and agents render services. Notwithstanding the foregoing, Owner shall not be responsible for, and no amounts shall be allocated to Owner for any salary of any employee of any Other Company who performs an accounting, legal or other administrative function for any Other Company, or any other function commonly considered "back office" or general administration.

13. Compliance with Laws

13.1 Notice. Owner shall promptly notify F&B Operator in writing of any alleged or actual violation of applicable Law brought to the attention of Owner, including, without limitation, providing copies of any notices received by Owner regarding any non-compliance with Laws or any change in Laws. F&B Operator shall promptly notify Owner in writing of any alleged or actual violation of applicable Law brought to the attention of F&B Operator, including, without limitation, providing copies of any notices received by F&B Operator regarding any non-compliance with Laws or any change in Laws.

13.2 Non-Compliance With Laws. If Owner provides written notice to F&B Operator of any non-compliance with Laws, or F&B Operator receives written notice of any non-compliance with Laws from any person or entity other than Owner, then subject to the terms of this Agreement, F&B Operator shall, as an F&B Operation Expense for items that are not repairs, maintenance, Capital Expenses or otherwise expressly excluded herein from F&B Operation Expenses, cause the F&B Operation to comply with all Laws, including taking any immediate action to remedy any such violation in the case of an imminent danger to persons or property or if the failure promptly to comply with any order or to cure any violation of Laws would likely expose Owner, Hotel Operator or F&B Operator to the imminent danger of criminal liability or the payment of fines (an "**Emergency**").

13.3 No Structural or Material Changes. F&B Operator shall not, without Owner's prior written consent, which may be withheld in Owner's sole discretion, in each instance, make any structural or material non-structural alterations or repairs so ordered or so required that are not included in an Approved Annual Plan.

13.4 Notification of Owner and Hotel Operator. In the event of an Emergency, F&B Operator shall immediately notify Owner and Hotel Operator of the nature of such Emergency and the actions taken by F&B Operator as result of such Emergency.

13.5 Applicable Laws. F&B Operator acknowledges that the F&B Operation is subject to compliance with all applicable laws, statutes, ordinances, rules, regulations, court orders and executive or administrative orders and directives of the federal, state and local government (including those of the Chicago Department of Aviation ("**CDA**") as in effect from time to time), now existing or later in effect (whether or not the law also requires compliance by other parties), including the Americans with Disabilities Act and Environmental Laws, those promulgated by the

Federal Aviation Administration ("**FAA**") and those set forth in clauses (a) through (r) below, in each case to the extent applicable to the F&B Operation (collectively, "**Laws**"). Except as elsewhere herein limited or excused, F&B Operator shall, throughout the term, comply with all Laws, in each case as such Laws apply to the operation of the Hotel. F&B Operator must notify the City within ten (10) days of receiving notice from a competent governmental authority that F&B Operator, or any of its agents, employees and contractors may have violated any Laws with respect to the F&B Operation. Provisions required by any Law to be inserted in this Agreement are deemed inserted in this Agreement whether or not they appear in this Agreement or, upon application by either Party, this Agreement will be amended to make the insertion; however, in no event will the failure to insert the provisions before or after this Agreement is signed prevent its enforcement.

Upon execution of this Agreement, Owner and F&B Operator shall meet to discuss the application of the Laws with respect to the F&B Operation. The parties shall collaborate in good faith to mutually determine and establish guidelines, policies and practices specific to the F&B Operation in accordance with this Agreement that are necessary in order to cause the F&B Operation to comply with the Laws (the "**Legal Compliance Policies**"). F&B Operator also acknowledges that certain Laws may require specific contract provisions to be incorporated in subcontracts and Hotel specific contracts that F&B Operator enters into in Owner's name, if any, and that the subcontractors and contractors party to such agreements may be required by Law to execute certain certifications and affidavits for the benefit of the Owner. Accordingly, as part of the Legal Compliance Policies, and notwithstanding any conflicting provisions of this Agreement requiring F&B Operator to incorporate certain provisions into such subcontracts or contracts or requiring such subcontractors and contractors to execute certificates or affidavits, Owner and F&B Operator shall also mutually determine which such provisions must be incorporated into subcontracts and Hotel contracts, what modifications may be required to adapt such provisions for the context of subcontracts and Hotel contracts, the specific types of subcontracts and Hotel contracts into which of those provisions must be incorporated and what certificates or affidavits such subcontractor and contractors may be required to execute. F&B Operator shall ensure that the F&B Operation is in compliance with such Legal Compliance Policies, subject to the funds necessary for such compliance being available to F&B Operator under this Agreement. To the extent that any Legal Compliance Policies conflict with any of the terms and conditions of this Agreement, the Parties will reasonably cooperate to modify this Agreement or other aspects of the F&B Operation in order to achieve compliance with the Legal Compliance Policies.

Subject to the foregoing, the F&B Operator shall comply, and shall cause its agents, employees and contractors to comply, with all applicable Laws, including the following Laws, with respect to the operation of the Hotel:

(a) Non-Discrimination.

(i) *Federal Requirements*:

(A) F&B Operator for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration of this Agreement, covenants and agrees with a covenant running with the land that: (i) no person on the grounds of race, color, or national origin will be excluded from participation in, be denied the benefits of, or otherwise be

subjected to discrimination in the use of the Site or the Hotel; (ii) in the construction of any improvements on, over, or under the Site or the Hotel and the furnishing of services in the Hotel, no person on the grounds of race, color, or national origin will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination; (iii) F&B Operator will use the Site and the Hotel in compliance with all other requirements imposed by or under 49 C.F.R. Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as those regulations may be amended and all other requirements imposed by or pursuant to the List of Pertinent Nondiscrimination Acts and Authorities (set forth below and in Appendix E of Appendix 4 of FAA Order 1400.11, Nondiscrimination in Federally-Assisted Programs at the Federal Aviation Administration), and as that List may be amended; and (iv) F&B Operator shall manage the Hotel on a fair, equal, and non-discriminatory basis. In addition to complying with Title VI of the Civil Rights Act of 1964, F&B Operator assures that it will comply and will cause its employees, agents and contractors to comply with all other pertinent statutes, including but not limited to 49 USC 47123, Executive Orders and the rules as are promulgated to assure that no person will, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefitting from federal assistance. In the event of breach of any of the above nondiscrimination covenants, City will have the right to terminate the Agreement and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said Agreement had never been made or issued.

(B) It is an unlawful practice for F&B Operator to, and F&B Operator must at no time: (i) fail or refuse to hire, or discharge, any individual or discriminate against the individual with respect to his or her compensation, or the terms, conditions, or privileges of his or her employment, because of the individual's race, creed, color, religion, sex, age, handicap or national origin; or (ii) limit, segregate, or classify its employees or applicants for employment in any way that would deprive any individual of employment opportunities or otherwise adversely affect his or her status as an employee, because of the individual's race, creed, color, religion, sex, age, handicap or national origin; or (iii) in the exercise of the privileges granted in this Agreement, discriminate or permit discrimination in any manner, including the use of the Site or the Hotel, against any person or group of persons because of race, creed, color, religion, national origin, age, handicap, sex or ancestry. F&B Operator must post in conspicuous places to which the \Employees or applicants for employment at the F&B Operation have access, notices setting forth the provisions of this non-discrimination clause.

(C) The F&B Operator shall comply with The Civil Rights Act of 1964, 42, U.S.C. Sec. 2000 *et seq.* (1981), as amended, and to the extent required by the law, must undertake, implement and operate an affirmative action program in compliance with the rules and regulations of the Federal Equal Employment Opportunity Commission and the Office of Federal Contract Compliance, including 14 CFR Part 152, Subpart E. Attention is called to: Executive Order No. 11,246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. 2000(e) note, as amended by Executive Order No. 11,375 32 Fed. Reg. 14,303 (1967) and by Executive Order No. 12,086, 43 Fed. Reg. 46,501 (1978); the Age Discrimination Act, 43 U.S.C. Sec. 6101-6106 (1981); Age Discrimination in Employment Act, 29 U.S.C. Sec. 621-34; the Rehabilitation Act of 1973, 29 U.S.C. Sec. 793-794 (1981);

the Americans with Disabilities Act, 42 U.S.C. Sec. 12101 *et seq.*; 41 C.F.R. Part 60 *et seq.* (1990) and 49 CFR Part 21, as amended (the "ADA"); and all other applicable federal statutes, regulations and other laws.

(D) The F&B Operator agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision binds the F&B Operator and subtier contractors from the bid solicitation period through the completion of the Agreement. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

(E) During the performance of this Agreement, the F&B Operator for itself, its assignees, and successors in interest (hereinafter referred to in this subsection (E) as the "**F&B Operator**") agrees as follows:

(i) Compliance with Regulations: The F&B Operator (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

(ii) Non-discrimination: The F&B Operator, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The F&B Operator will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

(iii) Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by the F&B Operator for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the F&B Operator of the F&B Operator's obligations under this Agreement and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

(iv) Information and Reports: The F&B Operator will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to the F&B Operator's books, records, accounts, other sources of information, and F&B Operation facilities as may be determined by the City or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of F&B Operator is in the exclusive possession of another who fails or refuses to furnish the information, the F&B Operator will so certify to the City or the Federal Aviation

Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

(v) Sanctions for Noncompliance: In the event of F&B Operator's noncompliance with the Non-discrimination provisions of this Agreement, the City will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

(A) Withholding payments to the F&B Operator under the Agreement until the F&B Operator complies; and/or

(B) Cancelling, terminating or suspending the Agreement, in whole or in part

(vi) Incorporation of Provisions: The F&B Operator will include the provisions of paragraphs (i) through (vi) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The F&B Operator will take action with respect to any subcontract or procurement as the City or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the F&B Operator becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the F&B Operator may request the City to enter into any litigation to protect the interests of the City. In addition, the F&B Operator may request the United States to enter into the litigation to protect the interests of the United States.

(F) Title VI List of Pertinent Nondiscrimination Acts and Authorities:

During the performance of this Agreement, the F&B Operator, for itself, its assignees, and successors in interest (hereinafter referred to in this subsection (F) as the "**F&B Operator**") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);

- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation – Effectuation of Title VI of The Civil Rights Act of 1964);

- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. §4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. §794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;

- The Age Discrimination Act of 1975, as amended, (42 U.S.C. §6101 *et seq.*), (prohibits discrimination of the basis of age);

- Airport and Airway Improvement Act of 1982, (49 U.S.C. §471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);

- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§12131-12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;

- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. §47123) (prohibits discrimination on the basis of race, color, national origin and sex);

- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);

- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 *et seq.*).

(ii) *State Requirements:* The F&B Operator shall comply with the Illinois Human Rights Act, 775 ILCS 5/1-101 *et seq.* (1990), as amended, and any rules and regulations promulgated in accordance with it, including the Equal Employment Opportunity Clause, 5 Ill. Admin. Code Sec. 750 Appendix A; the Public Works Employment Discrimination Act, 775 ILCS 10/0.01 *et seq.* (1990), as amended; the

Discrimination in Public Contracts Act, 775 ILCS 10/0.01 *et seq.* (1990), as amended; and the Environmental Barriers Act, 410 ILCS 25/1 *et seq.* (1985), as amended; and all other applicable state statutes, regulations and other laws.

(iii) *City Requirements:* The F&B Operator shall comply with the Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 *et seq.* of the Municipal Code of Chicago, as amended from time to time (the "Municipal Code"), as amended and all other applicable City ordinances and rules. Further, the F&B Operator shall furnish such reports and information with respect to the F&B Operation as requested by the Chicago Commission of Human Relations.

(iv) F&B Operator must insert these non-discrimination provisions in any agreement by which F&B Operator grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public on the Site or at the Hotel. F&B Operator must incorporate all of the above provisions in all agreements entered into with any suppliers of materials, furnishers of services, contractors of any tier, and labor organizations that furnish skilled, unskilled and craft union skilled labor, or that may provide any such materials, labor or services in connection with this Agreement, and F&B Operator must require them to comply with the law and enforce the requirements. In all solicitations either by competitive bidding or negotiations by F&B Operator for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential contractor or supplier must be notified by F&B Operator of the F&B Operator's obligations under this Agreement relative to nondiscrimination.

(v) Non-compliance with this Section will constitute a material breach of this Agreement; therefore, in the event of such breach, F&B Operator authorizes the City to take such action as federal, state or local laws permit to enforce compliance, including judicial enforcement. In the event of F&B Operator's noncompliance with the nondiscrimination provisions of this Agreement, the City may impose such sanctions as it or the federal or state government may determine to be reasonably appropriate, including cancellation, termination or suspension of the Agreement, in whole or in part.

(vi) F&B Operator must permit access to the F&B Operator's books, records, accounts, other sources of information, and the F&B Operation facilities as may be determined by the City, the Commissioner or the Federal government to be pertinent to ascertain compliance with the terms of this Section. F&B Operator must furnish to any agency of the federal or state government or the City, as required, any and all documents, reports and records required by Title 14, Code of Federal Regulations, Part 152, Subpart E, including an affirmative action plan and Form EEO-1.

(b) Equal Employment Opportunity. In the event of the F&B Operator's non-compliance with the provisions of this equal employment opportunity provision in this Section 13.5(b), the Illinois Human Rights Act, 775 ILCS 5/1-101 *et. seq.* (1998) (the "**Illinois Human Rights Act**"), or the Rules and Regulations of the Illinois Department of Human Rights ("**Department**"), the F&B Operator may be declared ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporation, and this Agreement may be canceled or voided in whole or in part, and such other sanctions or penalties

may be imposed or remedies invoked as provided by statute or regulation. During the performance of this Agreement, the F&B Operator agrees as follows:

(i) That it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Section 2-160-010, *et. seq.*, of the Municipal Code of Chicago, as amended from time to time (the "Human Rights Ordinance"); and further that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization. The F&B Operator and each of its contractors shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon the foregoing grounds, and are treated in a non-discriminatory manner with regard to all job-related matters, including, without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. F&B Operator agrees to post in conspicuous places, available to Employees and applicants for employment at the F&B Operation, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, F&B Operator, in all solicitations or advertisements for Employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon the foregoing grounds.

(ii) That if it hires additional Employees in order to perform its obligations under this Agreement, it will determine the availability, in consultation with the Owner, of minorities and women in the area(s) from which it may reasonably recruit and it will hire for each job classification for which employees are hired in such a way that minorities and women are not underutilized.

(iii) That to the greatest extent feasible, F&B Operator will present opportunities for training and employment of low and moderate income residents of the City, and provide that contracts for work in connection with any construction at the Site be awarded to business concerns which are located in or owned in substantial part by persons residing in the City.

(iv) That F&B Operator will comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including, without limitation, the Human Rights Ordinance and the Illinois Human Rights Act, both as amended from time to time, and any regulations promulgated thereunder.

(v) That, in all solicitations or advertisements for Employees placed by it or on its behalf, it will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental handicap unrelated to ability, or an unfavorable discharge from military service.

(vi) That it will send to each labor organization or representative of workers with which the F&B Operation is bound by collective bargaining or other agreements, a notice advising such labor organization or representative of its obligation under the Illinois Human Rights Act. If any such labor organization or representative fails or refuses to cooperate with it in its efforts to comply with such Act, it will promptly so notify the CDA and the City and will recruit employees from other sources when necessary to fulfill its obligations hereunder.

(vii) That it will furnish all relevant information as may from time to time be reasonably requested by the CDA, and in all respects comply with the Illinois Human Rights Act to report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

(viii) That it will permit access to all relevant F&B Operator books, records, accounts, and work sites by personnel of the City and the CDA for purposes of investigation to ascertain compliance with the Illinois Human Rights Act.

(ix) That it will include, verbatim or by reference, the provisions of this Section 13.5(b) in every construction contract it awards under which any portion of the obligations are undertaken or assumed, so that such provisions will be binding upon such contractor. In the same manner as with other provisions of this Agreement, the F&B Operator will be liable for compliance with applicable provisions of this clause by its contractors; and further it will promptly notify the City and the CDA in the event any contractor fails or refuses to comply therewith. In addition, the F&B Operator will not utilize any contractor declared by the Illinois Human Rights Commission to be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivision or municipal corporations.

(x) F&B Operator shall comply with all federal and state laws and City regulations pertaining to Civil Rights and Equal Opportunity, including executive orders and rules and regulations of appropriate federal and state agencies unless otherwise exempt therein.

(c) Limited English Proficiency. The City is committed to compliance with federal Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency ("**LEP**"), and related FAA guidance. F&B Operator must cooperate with the City in updating and implementing the LEP access plan. This may include but is not limited to collecting demographic data and conducting surveys of LEP customers, providing multilingual signage and menus, and hiring multilingual staff.

(d) Federal Fair Labor Standards Act.

This Agreement and any subcontracts incorporate by reference the provisions of 29 CFR Part 201, the Federal Fair Labor Standards Act (FLSA) with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers.

The F&B Operator has full responsibility to monitor compliance with the referenced statute or regulation. The F&B Operator must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

(e) Chapter 2-56 of the Municipal Code, Office of Inspector General.

(i) It shall be the duty of the F&B Operator and all of its officers, directors, agents, partners, and employees, to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code. The F&B Operator understands and will abide by all provisions of Chapter 2-56 of the Municipal Code.

(ii) All contracts shall inform contractors of this provision and require understanding and compliance herewith.

(iii) Pursuant to Section 2-156-018 of the Municipal Code, it is the duty of Manager to report to the Inspector General, directly and without undue delay, any and all information concerning conduct which it knows to involve corrupt activity. "Corrupt activity" means any conduct set forth in Subparagraph (a)(1), (2) or (3) of Section 1-23-020 of the Municipal Code. Knowing failure to make such a report will be an event of default under this Agreement. Reports may be made to the Inspector General's toll free hotline.

(f) Governmental Ethics Ordinance. The F&B Operator shall comply with Chapter 2-156 of the Municipal Code, "Governmental Ethics," including but not limited to Section 2-156-120 of Chapter 2-156 of the Municipal Code pursuant to which no payment, gratuity or offer of employment shall be made in connection with any City contract, by or on behalf of a subcontractor to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order; and F&B Operator further acknowledges that any agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156 of the Municipal Code is voidable as to the City.

(g) Anti-Scofflaw Ordinance. In accordance with Section 2-92-380 of the Municipal Code, and in addition to any other rights and remedies (including any of set-off) available to the City under this Agreement or permitted at law or in equity, the City shall be entitled to set off a portion of any amounts due to the F&B Operator by the City under this Agreement in an amount equal to the amount of the fines and penalties for each outstanding parking violation complaint and/or the amount of any debt owed by the F&B Operator to the City. For purposes of this Section, "outstanding parking violation complaint" means a parking ticket, notice of parking violation or parking violation complaint on which no payment has been made or appearance filed in the Circuit Court of Cook County within the time specified on the complaint. "**Debt**" means a specified sum of money owed to the City for which the period granted for payment has expired.

(h) Americans with Disabilities Act.

(i) Any and all design specifications for the F&B Operation provided by F&B Operator, if any, shall comply with all Federal, State and local laws and regulations

regarding accessibility standards for disabled or environmentally limited persons including, but not limited to, the following: Americans with Disabilities Act, P.L. 101-336 (1990), 42 U.S.C. 12101 *et seq.* and the Uniform Federal Accessibility Guidelines for Buildings and Facilities and, the Illinois Environmental Barriers Act, 4 10 ILCS 25/1 *et seq.* (1991), and the regulations promulgated thereto at 71 Ill. Admin. Code Ch. 1, Sec. 400.110. In the event that the above cited standards are inconsistent, the F&B Operator shall comply with the standard providing greater accessibility.

(ii) All construction or improvements undertaken by the F&B Operator, if any, in connection with this Agreement, if any, shall be performed in compliance with all Federal, State and local laws and regulations regarding accessibility standards for disabled or environmentally limited persons including, but not limited to, the following: American with Disabilities Act, P.L. 101-336 (1990), 42 U.S.C. 12101, *et seq.* and the Uniform Federal Accessibility Standards for Americans with Disabilities; and the Illinois Environmental Barriers Act, 410 ILCS 25/1 *et seq.* (1991), and the regulations promulgated thereto at 71 Ill. Adm. Code Ch. 1, Sec. 400.110.

(iii) The City encourages F&B Operator to use contractors that are firms owned or operated by individuals with disabilities, as defined by Section 2-92-586 of the Municipal Code, where not otherwise prohibited by federal or state law.

(i) Visual Artists Rights Act Waiver.

(i) The F&B Operator shall not enter into any agreements as the Owner's agent for the provision of Artwork to the Hotel without the Owner's express written approval of the agreement. The F&B Operator will assist the Owner to ensure that in the event that any work of visual art, as defined in Section 101 of the United States Copyright Act, (17 U.S.C. § 101 *et seq.*) (the "**Copyright Act**") installed at the Hotel (the "**Artwork**"), the author of that Artwork waives in writing any and all rights in the Artwork that may be granted or conferred on the Artwork under Section 106A(a)(3) and Section 113(d) of the Copyright Act. The above waiver must include, but is not limited to, the right to prevent the removal, storage, relocation, reinstallation, or transfer of the Artwork. The F&B Operator will assist the Owner in ensuring that the author of the Artwork acknowledges that such removal, storage, relocation, reinstallation or transfer of the Artwork may result in the destruction, distortion, mutilation or other modification of the Artwork. Further, the F&B Operator will assist the Owner in ensuring that the author of the Artwork acknowledges that the Artwork may be incorporated or made part of a building or other structure in such a way that removing, storing, relocating, reinstalling or transferring the Artwork will cause the destruction, distortion, mutilation or other modification of the Artwork and hereby consents to such destruction, distortion, mutilation or other modification, by reason of its removal, storage, relocation, or reinstallation.

(ii) The F&B Operator will obtain or assist the Owner in obtaining a written waiver of all rights under Section 106A(a)(3) and Section 113(d) of the Copyright Act as necessary from any contractors, subcontractors, subtenants or any artists. The F&B Operator will provide the Owner with or assist the Owner in obtaining copies of any such

waivers required by Section 106A and Section 113 of the Copyright Act prior to installation of any Artwork on the Site.

(j) Intentionally Deleted.

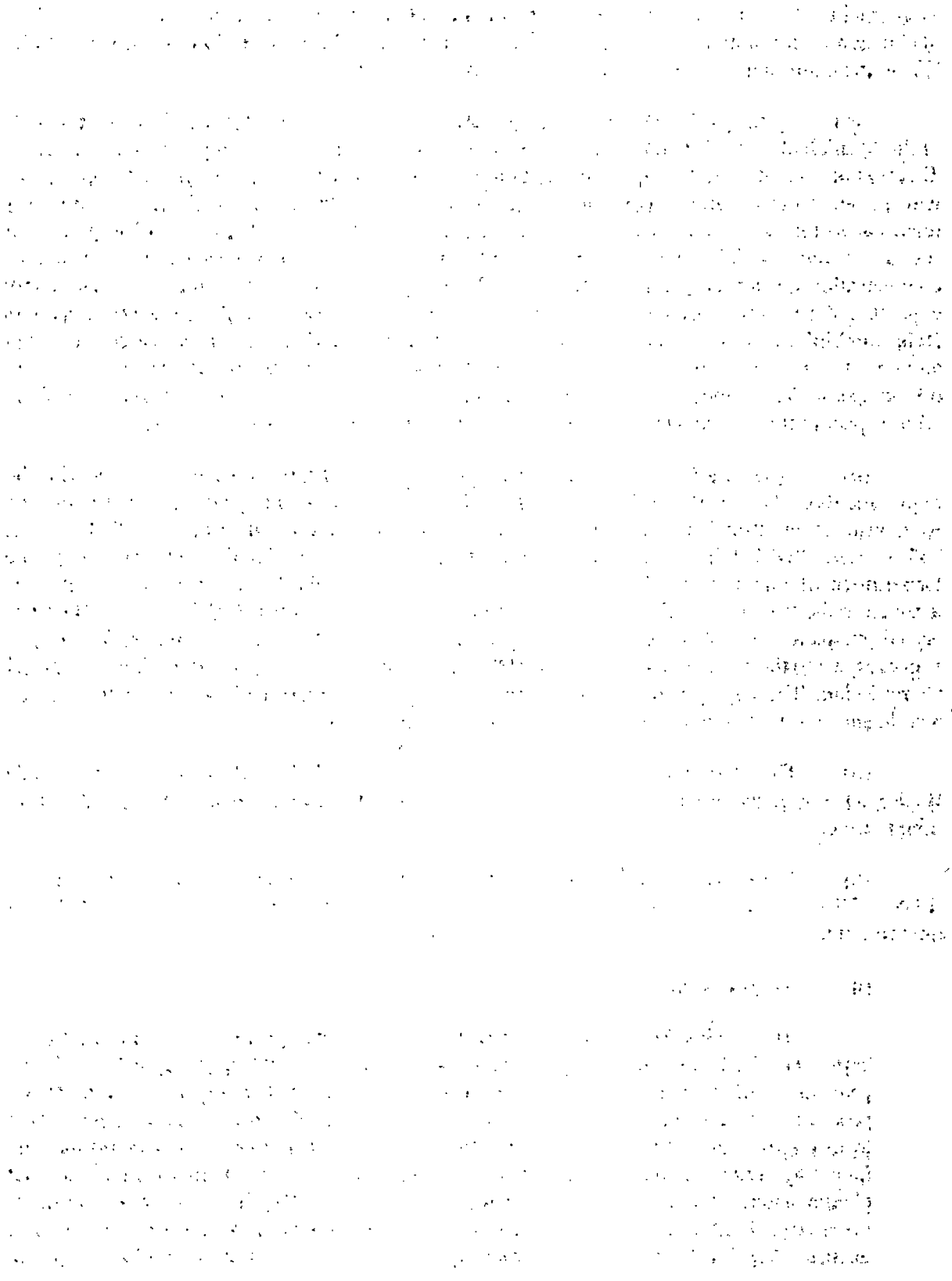
(k) Disclosure of Ownership. In connection with Section 2-92-320 of the Municipal Code, F&B Operator has executed an Economic Disclosure Statement and Affidavit ("**EDS**") which is attached to this Agreement as Schedule E and which contains a certification as required under the Illinois Criminal Code, 720 ILCS 5/33E, and under the Illinois Municipal Code, 65 ILCS 5/8-10-1 *et seq.* Ineligibility under Section 2-92-320 of the Municipal Code continues for 3 years following any conviction or admission of a violation of Section 2-92-320. For purposes of Section 2-92-320, when an official, agent or employee of a business entity has committed any offense under the section on behalf of such an entity and under the direction or authorization of a responsible official of the entity, the business entity is chargeable with the conduct. If required pursuant to the Legal Compliance Policies, the F&B Operator shall cause contractors entering into agreements with F&B Operator as agent of the Owner with respect to the Hotel to execute an EDS, including the Disclosure of retained parties. If, after F&B Operator enters into a contractual relationship as agent of the Owner with such a contractor, it is determined that the contractual relationship is in violation of this subsection, F&B Operator must immediately cease to use the contractor. All contracts must provide that F&B Operator is entitled to recover all payments made by it or the Owner to the contractor if, before or subsequent to the beginning of the contractual relationship, the use of the contractor would be violative of this Section.

In addition, pursuant to Chapters 2-92 and 2-154 of the Municipal Code, the F&B Operator and any person having more than a seven and one-half percent (7½%) direct or indirect ownership interest in the F&B Operator, and any person, business entity or agency contracting with the City shall be required to complete Part I, Disclosure of Ownership Interests, and Part VIII, Certification Regarding Business Relationships with Elected Officials, of the Disclosure Affidavit.

F&B Operator must provide evidence of its authority to do business in the State of Illinois including, if applicable, certifications of good standing from the Office of the Secretary of State of Illinois, and appropriate resolutions or other evidence of the authority of the persons executing this Agreement on behalf of F&B Operator.

Upon request by the Commissioner, F&B Operator must further cause its proposed transferees (and their respective 7.5 percent owners) to submit an EDS to the Commissioner. F&B Operator must provide the Commissioner, upon request, a "no change" affidavit if the information in the EDS(s) attached as Schedule E remains accurate, or revised and accurate EDS(s) if the information contained in the attached EDS(s) has changed. In addition, F&B Operator must provide the City revised and accurate EDS(s) within thirty (30) days of F&B Operator becoming aware of any event or change in circumstance that renders the EDS(s) inaccurate. Failure to so timely provide accurate EDS(s) to the City is an Event of Default.

(l) City Resident Employment Requirements. This Section 13.5(l) shall only apply if a construction contract is awarded to F&B Operator relating to the F&B Operation. The F&B Operator shall utilize good faith efforts to comply with the minimum percentage of total worker hours performed by actual residents of the City of Chicago as specified in Section 2-92-330 of the



Municipal Code. To facilitate these efforts, the F&B Operator will develop and establish a City of Chicago Community Hiring Program for all new hires at the F&B Operation, which Community Hiring Program shall be reasonably acceptable to the Owner.

(m) Business Relationships with Elected Officials. Pursuant to Section 2-156-030(b) of the Municipal Code, it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected official has a business relationship that creates a financial interest on the part of the official, the domestic partner or spouse of the official, or from whom or which such official has derived any income or compensation during the preceding twelve (12) months or from whom such official reasonably expects to derive any income or compensation in the following twelve (12) months (a "**Business Relationship**"), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has such a business relationship. Violation of Section 2-156-030(b) by any elected official with respect to this Agreement shall be grounds for termination of this Agreement.

(n) Occupational Safety and Health Act. The F&B Operator shall comply with the requirements of 29 CFR Part 1926 (originally 29 CFR Part 1518) – Safety and Health Regulations for Construction of the Williams-Steiger Occupational Safety and Health Act of 1970, 40 U.S.C. 333 *et seq.* ("**OSHA**"). Copies may be obtained from the Regional Administrator of the Department of Labor, Federal Office Building, Chicago, Illinois. F&B Operator's attention is directed to the "Health and Safety Act" of the State of Illinois, 820 ILCS 225/1 *et seq.* The rules issued pursuant to this Act are on file with the Secretary of State of Illinois and are identical in every respect to the standards in effect under OSHA law pursuant to orders of the Illinois Industrial Commission. The standards require that F&B Operator provide reasonable protection to the lives, health, and safety of all persons employed under this Agreement.

(o) The F&B Operator shall comply with the Illinois Public Mechanics' Lien Act, 770 ILCS 60/1 *et seq.* and any rules or regulations promulgated thereunder, as may be amended from time to time.

(p) The F&B Operator shall comply with the Wage Payment and Collection Act, 820 ILCS 115/1 *et seq.* and any rules or regulations promulgated thereunder, as may be amended from time to time.

(q) Airport Security.

(i) This Agreement is expressly subject to the airport security requirements of Title 49 of the United States Code, Chapter 449, as amended ("Airport Security Act"), the provisions of which govern airport security, including the rules and regulations promulgated under it. F&B Operator is subject to, and further must conduct with respect to its contractors and the respective employees of each, such employment investigations, including criminal history record checks and security threat assessments as the Commissioner, the Transportation Security Agency (the "TSA") or the FAA may deem necessary. Further, in the event of any threat to civil aviation, as defined in the Airport Security Act, F&B Operator must promptly report any known information in accordance

with those regulations promulgated by the United States Department of Transportation, the TSA and by the City. F&B Operator must, notwithstanding anything contained in this Agreement to the contrary, perform under this Agreement in compliance with those guidelines developed by the City, the TSA and the FAA with the objective of maximum security enhancement. The drawings, plans, and specifications provided by F&B Operator under this Agreement, if any, must comply with those guidelines for airport security developed by the City, the TSA and the FAA and in effect at the time of their submission.

(ii) Further, F&B Operator shall comply with, and require compliance by its contractors, suppliers of materials and furnishers of services and employees with all present and future laws, rules, regulations, or ordinances promulgated by the City, the TSA or the FAA, or other governmental agencies to protect the security and integrity of the Airport, and to protect against access by unauthorized persons. F&B Operator shall adopt procedures to control and limit access to the Airport and the Site by F&B Operator and its contractors, suppliers of materials and furnishers of services, employees, in accordance with all present and future City, TSA and FAA laws, rules, regulations, and ordinances. At all times during the Term, F&B Operator must have in place and in operation a security program for the F&B Operation and the Hotel that complies with all applicable laws and regulations.

(iii) Gates and doors located in the Hotel, if any, that permit entry into restricted areas at the Airport must be kept locked by F&B Operator at all times when not in use. Gate or door malfunctions must be reported to the Commissioner or the Commissioner's designee without delay and must be kept under constant surveillance by F&B Operator until the malfunction is remedied.

(iv) In connection with the implementation of its security program, F&B Operator may receive, gain access to or otherwise obtain certain knowledge and information related to the City's overall Airport security program. F&B Operator acknowledges that all such knowledge and information is of a highly confidential nature. F&B Operator covenants that no person will be permitted to gain access to such knowledge and information, unless the person has been approved by the Commissioner in advance in writing.

(v) To the extent any of F&B Operator's employees require identification badges or security clearance for access at secured areas of the Airport, F&B Operator shall be responsible for securing such badges or clearance, the cost of which shall be an F&B Operation Expense. If at any time more than five percent (5%) of all issued unexpired badges issued to F&B Operator's employees for any non-public area are lost, stolen, or otherwise unaccounted for, and the CDA is required to reissue badges for that non-public area per the TSA, the F&B Operator shall be liable to the City for the cost of that reissuance.

(vi) F&B Operator further must indemnify, hold harmless and defend the City from and against any and all claims, reasonable costs, reasonable expenses, damages and liabilities, including all reasonable attorney's fees and costs, resulting directly from the breach of F&B Operator's covenants and agreements as set forth in this Section 13.5(q). Such costs shall not be a F&B Operation Expense.

(r) Eligibility to do Business with the City. Failure by the F&B Operator or any controlling person (as defined in Section 1-23-010 of the Municipal Code) thereof to maintain eligibility to do business with the City as required by Section 1-23-030 of the Municipal Code shall be grounds for termination of this Agreement.

13.6 Ethics/Conflicts of Interest

The F&B Operator represents and warrants that:

(i) To the actual knowledge of the F&B Operator Knowledge Party, after reasonable inquiry or investigation, no officer, agent or employee of the City is employed by the F&B Operator or has a personal or financial interest directly or indirectly, in the F&B Operator, this Agreement, the Hotel, or the compensation to be paid under this Agreement except as may be permitted in writing by the Board of Ethics established under the Municipal Code (Chapter 2-156) or as may be permitted by law or to the extent any such individual or entity has an interest through ownership of publicly traded stock. "**F&B Operator Knowledge Party**" shall initially mean Marc Brooks, in his capacity as President and CEO at F&B Operator's parent company, and may be changed by written notice to the Owner. It is expressly agreed that the F&B Operator Knowledge Party shall have no personal liability in connection with this Agreement or the transactions contemplated hereby.

(ii) No payment, gratuity or offer of employment will be made in connection with this Agreement by or on behalf of the F&B Operator or any of its Affiliates, as an inducement for the award of a contract, subcontract or order.

The F&B Operator further acknowledges that any agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156 is voidable as to the City.

13.7 Conflicts of Interest

(a) No member of the governing body of the City or other unit of government and no other officer, employee or agent of the City or other unit of government who exercises any functions or responsibilities in connection with this Agreement is permitted to have any personal interest, direct or indirect, in this Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of the City or City employee is allowed to be admitted to any share or part of this Agreement or to any financial benefit to arise from it.

(b) The F&B Operator covenants that it, and to the best of its knowledge, its contractors presently have no direct or indirect interest and will not acquire any interest, direct or indirect, in any project or contract that would conflict in any manner or degree with the performance of its obligations under this Agreement.

(c) The F&B Operator further covenants that, in the performance of this Agreement, no person having any conflicting interest will be assigned to perform any obligations or have access to any confidential information, if any, under this Agreement. If the City, by

the Commissioner in her or his reasonable judgment, determines that any of F&B Operator's obligations for others conflict with the F&B Operator's obligations under this Agreement, F&B Operator must reassign such person or take other appropriate measures to address the conflict promptly upon request of the City.

13.8 Affirmative Action Program

The F&B Operator assures the City that, in connection with the F&B Operation pursuant to this Agreement and to the extent required by Laws, it will undertake an affirmative action program which sets forth all applicable Federal standards as required by 14 C.F.R. Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, religion, age, national origin, or sex be excluded from participating in any employment activities covered in 14 C.F.R. Part 152, Subpart E. The F&B Operator assures that, in connection with the F&B Operation pursuant to this Agreement to the extent required by Law, no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by Subpart E. The F&B Operator assures the City that, in connection with the F&B Operation pursuant to this Agreement to the extent required by Law, the F&B Operator will require its covered sub-organizations to provide assurances to the F&B Operator that they similarly will undertake an affirmative action program and that they will require assurances from their organizations, as required by 14 C.F.R., Part 152, Subpart E, to the same effect.

13.9 No Personal Liability of Agents

No agent, employee or official of the City shall be personally liable to the F&B Operator in the event of any default or breach by the City or for any amount which may become due to the F&B Operator or with respect to any commitment or obligation of the City under the terms of this Agreement.

13.10 Business Relationships

The F&B Operator acknowledges (a) receipt of a copy of Municipal Code Section 2-156-030 (b) that it has read such provision and understands that pursuant to such Section 2-156-030(b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a Business Relationship or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (c) notwithstanding anything to the contrary contained in this Agreement, that a violation of Section 2-156-030(b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The F&B Operator hereby represents and warrants that, to the actual knowledge of F&B Operator Knowledge Party after reasonable investigation or inquiry, no violation of Section 2-156-030(b) has occurred with respect to this Agreement or the transactions contemplated hereby.

13.11 Federal Terrorist (No-Business) List

The F&B Operator represents and warrants that neither the F&B Operator nor any Affiliate is debarred from doing business with the City or listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable laws: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

1.12 Prohibition on Certain Contributions; Mayoral Executive Order No. 2011-04

(a) The F&B Operator agrees that the F&B Operator, and any person or entity who directly or indirectly has an ownership or beneficial interest in the F&B Operator of more than 7.5% (the "**Owners**"), and spouses and domestic partners of such Owners (the "**Sub-owners**") (F&B Operator and all the other preceding classes of persons and entities are together, the "**Identified Parties**"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "**Mayor**") or to his or her political fundraising committee (i) after execution of this Agreement by F&B Operator, (ii) while this Agreement or any Other Contract (as hereinafter defined) between the F&B Operator and the City is executory, (iii) during the term of this Agreement or any Other Contract between F&B Operator and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated. "**Other Contract**" for purposes of this Section 13.12 shall mean a "Contract" as defined in Mayoral Executive Order No. 2011-04.

(b) The F&B Operator represents and warrants that since the date of public advertisement of the specification, request for qualifications, request for proposals or request for information (or any combination of those requests) or, if not competitively procured, from the date the F&B Operator approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

(c) The F&B Operator shall not: (i) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (ii) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (iii) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

(d) The Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

(e) Violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement.

(f) If F&B Operator violates this provision or Mayoral Executive Order No. 2011-4 prior to award of the Agreement resulting from this specification, the City may reject F&B Operator's bid.

(g) For purposes of this provision:

"Bundle" means to collect contributions from more than one source which is then delivered by one person to the Mayor or to his political fund-raising committee.

"Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code.

Individuals are "Domestic Partners" if they satisfy the following criteria: (a) they are each other's sole domestic partner, responsible for each other's common welfare; and (b) neither party is married; and (c) the partners are not related by blood closer than would bar marriage in the State of Illinois; and (d) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and (e) two of the following four conditions exist for the partners: (i) The partners have been residing together for at least 12 months; (ii) The partners have common or joint ownership of a residence; (iii) The partners have at least two of the following arrangements: a. a joint ownership of a motor vehicle; b. a joint credit account; c. a joint checking account; d. a lease for a residence identifying both domestic partners as Tenants; (iv) Each partner identifies the other partner as a primary beneficiary in a will.

"Political fund-raising committee" means a "political fund-raising committee" as defined in Chapter 2-156 of the Municipal Code.

13.13 Minimum Wage

F&B Operator agrees that this Agreement is subject to Mayoral Executive Order 2014-1 ("**Executive Order 2014-1**"), which provides for a fair and adequate Minimum Wage to be paid to employees of City concessionaires and their contractors, subcontractors and sub-lessees. F&B Operator and any of its contractors or subcontractors must pay the Minimum Wage set forth in Executive Order 2014-1 and comply with any applicable regulations issued by the Chief Procurement Office; provided, however, that pursuant to Section 6.5 hereof all labor and benefit costs of all Employees are the responsibility of Owner and shall be paid by F&B Operator, as agent for Owner, as a F&B Operation Expense. As of July 1, 2015 the Minimum Wage for all employees to be paid pursuant to Executive Order 2014-1 is $13 per hour. This requirement applies to any employee working at the Airport. When the employer takes an allowance for gratuities pursuant to 820 ILCS 105/3(c), the employer shall base the calculation of the amount to be paid by the employer to the employee on the minimum wage as set forth in 820 ILCS 105/3, and add $1.00 per hour to that amount. As of July 1, 2015, the resulting amount to be paid, taking an allowance for gratuities, is $5.95 per hour.

Every July 1, these hourly wages shall increase in proportion to the increase, if any, in the Consumer Price Index for All Urban Consumers most recently published by the Bureau of Labor Statistics of the United States Department of Labor. Any hourly wage increase shall be rounded up to the nearest multiple of $0.05. Such increase shall remain in effect until any subsequent adjustment is made. On or about June 1 of each year, the City will use diligent efforts to make

available to the F&B Operator a bulletin announcing the adjusted minimum hourly wages for the twelve month period commencing the next July 1; provided, however, that F&B Operator shall increase such hourly rates on July 1 notwithstanding it has not received notice from the City of such rates.

F&B Operator, and any contractors or subcontractors that pay an employee the wage for employees who receive gratuities, shall transmit to the City, in a manner provided by regulation, substantial evidence establishing both the amount that the employee received as gratuities during the relevant pay period or periods, and the fact that the employee did not return any part of those gratuities to the F&B Operator, contractor or subcontractor. If F&B Operator, contractors, or subcontractor, is required by the Minimum Wage Law to provide substantially similar data to the Illinois Department of Labor, the City may allow compliance with this requirement by filing the same documentation with the City. The City shall utilize this data to ensure that each employee receives, in combined salary and gratuities, at least the base hourly wage required under Executive Order 2014-1.

However, the Minimum Wage is not required to be paid to categories of employees subject to subsection 4(a)(2), subsection 4(a)(3), subsection 4(d), subsection 4(e), or Section 6 of the Illinois Minimum Wage Law. Nevertheless, the Minimum Wage is required to be paid to those workers described in subsections 4(a)(2)(A) and 4(a)(2)(B) of the Illinois Minimum Wage Law.

Additionally, the Minimum Wage is not required to be paid to employees subject to a collective bargaining agreement that provides for different wages than those required by Executive Order 2014-1, if that collective bargaining agreement was in force prior to October 1, 2014 or if that collective bargaining agreement clearly and specifically waives the requirements of the order.

This Minimum Wage section does not apply if F&B Operator is a not-for-profit organization having tax-exempt status under Section 501(c)(3) of the United States Internal Revenue Code and recognized under Illinois law governing not-for-profit corporations.

In the event that Executive Order 2014-1 is rescinded, Manager will be required to pay the higher of the rate specified in Section 2-92-610 of the Municipal Code, "Contracts requiring a base wage," Chapter 1-24 of the Municipal Code, or any state or federal minimum wage rate.

13.14 Sweatshop-Free Procurement.

This Agreement may require the purchase of garments. Therefore, F&B Operator shall comply with the provisions of Municipal Code Section 2-92-605 on connection with acquisition of any garments for use in the F&B Operations.

(a) For the purpose of this Section 13.14, the following definitions apply:

"Abusive forms of child labor" means (1) work performed by a person under the age of 18 when the person does not voluntarily see the work or the person is threatened by the person's employer with physical, mental or emotional harm for nonperformance; (2) work performed by a person under the age of 18 in violation of the laws of the applicable jurisdiction governing the minimum age of employment, compulsory education, or occupational health and safety; or (3) the use of a person under the age of 18 for illegal

activities, including but not limited to, the production or trafficking of illicit drugs or for prostitution.

"Subcontractor" means any person that enters into a subcontract agreement directly with F&B Operator for any work under this Agreement.

"Foreign convict or forced labor" means any form of labor used to produce or manufacture goods prohibited from importation into the United States under 19 U.S.C. § 1307, which includes abusive forms of child labor and slave labor.

"Garment" means any clothing, including uniforms, footwear, and related clothing accessories, such as hats and caps, ties, scarves, ribbons and shoestring.

"Slave labor" means any form of slavery, sale and trafficking of persons, debt bondage, indentured servitude, serfdom, or forced compulsory labor.

"Supply chain" means any manufacturer or distributor of garments.

"Sweatshop labor" means any work performed by a person engaged by a contractor or subcontractor, which has habitually violated laws of any applicable jurisdiction governing wages, working hours, overtime, employee benefits, occupational health and safety, nondiscrimination, or freedom of association. "Sweatshop labor" also means any work performed by a person engaged by a contractor or subcontractor that constitutes foreign convict or forced labor, or abusive forms of child labor or slave labor.

(b) In accordance with Section 2-92-605 of the Municipal Code, F&B Operator must:

(i) disclose to the City, using the Supply Worksheet form provided by the City or in such format specified by the City, information regarding F&B Operator's Supply Chain for the acquisition of any Garments in connection with performance of this Agreement, and cause each Subcontractor to disclose its own supply chain;

(ii) complete an affidavit verifying that neither F&B Operator nor any Subcontractors shall engage or otherwise utilize, in the performance of the contract, any supply chain that uses sweatshop labor, which will be attached to and become a part of this Agreement; and

(iii) follow any rules or regulations issued by the Commissioner regarding the administration or enforcement of Municipal Code Section 2-92-605.

(c) F&B Operator's failure to comply with this Section 13.14 will constitute an event of default. In the event of default for failure to comply with this section, the City shall notify F&B Operator of such noncompliance and may, within the City's discretion: (1) issue F&B Operator a 30-day opportunity to cure; (2) terminate the Agreement; or (3) terminate the Agreement and rebid the remaining term of the Agreement. This section shall not be construed to prohibit the City from also

prosecuting any person that makes a false statement of material fact to the City under Chapter 1-21 of the Municipal Code.

(d) This Section 13.14 shall not apply to the extent it is preempted by applicable federal or state law or to the extent it conflicts with the terms or conditions of a federal or State of Illinois grant agreement.

14. Insurance

14.1 Maintenance of Insurance.

(a) From and after the Opening Date, F&B Operator shall provide and maintain insurance as described in Schedule C-1 hereto. Such insurance requirements shall be subject to review annually throughout the Term and shall further be subject to adjustments from time to time at the discretion of Owner, acting reasonably.

(b) From and after the Opening Date, Owner shall provide and maintain insurance as described in Schedule C-2 hereto. All costs of said insurance shall be deemed a Capital Expense.

15. Termination of Agreement

15.1 Failure to Meet Thresholds.

(a) From and after the earlier of (i) the third anniversary of the Opening Date, and (ii) the Renovation Completion Date, Owner may terminate this Agreement upon ninety (90) days' written notice to F&B Operator if, in any two (2) consecutive twelve (12)-month periods, either (i) the actual F&B Operation Receipts are less than eighty-five percent (85%) of projected F&B Operation Receipts for each such twelve (12)-month period (the "**Sales Threshold**") as set forth in the applicable Approved Annual Plan, or (ii) the actual Gross Operating Profit of the F&B Operation is less than twenty-five percent (25%) of the F&B Operation Receipts for each such twelve (12)-month period (the "**Profit Threshold**"). In the event that Owner elects to exercise such termination right, Owner must give F&B Operator written notice within sixty (60) days after the end of the applicable second twelve (12)-month period. The foregoing Sales Threshold and Profit Threshold are hereinafter collectively referred to as the "**Performance Thresholds**." The Performance Thresholds shall be equitably adjusted to reflect the impact of any Mitigation Event which occurs at any time during an applicable twelve (12)-month period.

(b) In the event Owner timely elects to terminate this Agreement for failure to achieve the Sales Threshold under the terms of Section 15.1(a)(i), F&B Operator may, but shall be under no obligation to, negate such termination by agreeing to pay to Owner an amount equal to (i) the difference between the actual F&B Operation Receipts for the first of such twelve (12)-month periods and one hundred percent (100%) of projected F&B Operation Receipts for the first of such twelve (12)-month periods, plus (ii) the difference between the actual F&B Operation Receipts for the second of such twelve (12)-month periods and one hundred percent (100%) of projected F&B Operation Receipts for the second of such twelve (12)-month periods.

If F&B Operator so elects to negate the termination of this Agreement by Owner for failure to achieve the Sales Threshold under Section 15.1(a)(i), F&B Operator shall give written notice of such election to Owner not later than thirty (30) days after F&B Operator's receipt of written notice from Owner of Owner's election to terminate this Agreement pursuant to the provisions of Section 15.2(a)(i).

(c) In the event Owner elects to terminate this Agreement for failure to achieve the Profit Threshold under the terms of Section 15.1(a)(ii), F&B Operator may, but shall be under no obligation to, negate such termination by agreeing to pay to Owner an amount equal to (i) the difference between the actual Gross Operating Profit of the F&B Operation for the first of such twelve (12) month periods upon which the termination is based and one hundred percent (100%) of the F&B Operation Receipts for the same twelve (12) month period, plus (ii) the difference between the actual Gross Operating Profit of the F&B Operation for the second of such twelve (12) month periods upon which the termination is based and one hundred percent (100%) of the F&B Operation Receipts for the same twelve (12) month period.

If F&B Operator so elects to negate the termination of this Agreement for failure to achieve the Profit Threshold, F&B Operator shall give written notice of such election to Owner not later than thirty (30) days after F&B Operator's receipt of written notice from Owner of Owner's election to terminate this Agreement pursuant to the provisions of Section 15.1(a)(ii).

(d) F&B Operator may not negate a termination by Owner by paying the applicable cure amount(s) noted above in Sections 15.1(b) or (c) more than two (2) times during the Term.

15.2 Default By F&B Operator. Owner may terminate this Agreement (with immediate effect, except where any other period of notice is expressly provided for) by written notice to F&B Operator on or at any time after the occurrence of one or more of the following events (each, an "**Event of F&B Operator Default**"):

(a) F&B Operator being in breach of any of its obligations under this Agreement and, if the breach is capable of remedy, failing to remedy the breach within thirty (30) days starting on the day after receipt of notice from Owner giving details of the breach (except that, if during the twelve (12) month period preceding any breach, Owner has already given F&B Operator two (2) notices of breach (regardless of whether F&B Operator has remedied such breach), then F&B Operator's cure period beginning with the third breach during such twelve (12) month period shall be reduced to ten (10) days after receipt of notice);

(b) except for a Force Majeure Event (as defined in Section 17.1), the F&B Operation ceasing or suspending its operations due to the fault of the F&B Operator or there being an express written threat by F&B Operator that F&B Operator shall cease to carry out all or substantially all of its obligations hereunder;

(c) F&B Operator is placed into any form of liquidation, becomes insolvent or is the subject of any form of insolvency procedure, or makes an arrangement or composition with its creditors generally, which procedure or arrangement is not dismissed or otherwise released within sixty (60) days;

(d) F&B Operator or any of its Affiliates being in breach of any of the provisions of this Agreement relating to the unauthorized assertion of rights in or use of Hotel Operator IP and/or the F&B Operation IP, and failing to remedy such breach within thirty (30) days after receipt of notice thereof from Owner or Hotel Operator;

(e) except for transfers permitted under Section 25 hereof, any change in a Controlling Interest in relation to the F&B Operator or the transfer of the whole or substantially the whole of the business of F&B Operator to a third party, except where F&B Operator is able to demonstrate to the reasonable satisfaction of Owner that the event in question will have no material effect on the performance of F&B Operator's obligations hereunder; and

(f) F&B Operator loses the right to use the F&B Operator IP in connection with the F&B Operation other than by reason of the acts or omissions of Owner or its Affiliates.

15.3 Default by Owner. F&B Operator may terminate this Agreement (with immediate effect except where any other period of notice is expressly provided) by written notice to Owner on or at any time if any of the following occurs (each, an "**Event of Owner Default**"):

(a) Owner is, or is deemed to be, unable to pay its debts as they fall due or passes a resolution for winding up, a winding up order is made against Owner, a receiver is appointed over the whole or any substantial part of Owner's assets or an administration order is made by the court in respect of Owner or any step is taken with a view to a composition or arrangement with any creditors of Owner; and

(b) Owner is materially in breach of its obligations under this Agreement and, if the material breach is capable of remedy, failing to remedy the material breach within thirty (30) days starting on the day after receipt of notice from F&B Operator giving details of the material breach.

15.4 Sale of Hotel. Owner may elect, at its option, to terminate this Agreement in connection with the transfer of the Hotel by Owner to an unaffiliated party. Owner may exercise such option by giving written notice thereof within thirty (30) days prior to the transfer of the Hotel.

15.5 Loss of Liquor License. Owner may elect, at its option, to terminate this Agreement if the Liquor License is suspended for at least thirty (30) days or terminated and not replaced within thirty (30) days through no fault of Owner.

15.6 Name Change. During the Term, Owner may at any time or times change the name of the Hotel in Owner's sole discretion.

16. Actions to be Taken Upon Termination

16.1 Effect of Termination. Termination of this Agreement for whatever reason shall:

(a) be without prejudice to the rights and remedies of the parties accrued before such termination;

(b) not prejudice the right of either party to recover any amount due and payable on or before such termination;

(c) not prejudice or affect any right or obligation or either party which, having failed to be performed on or before the date of termination, remains to be performed or discharged on such date; and

(d) not prejudice or effect any right or obligation of either party which is expressed to continue or by implication is intended to continue after the date of termination.

16.2 Rights On Termination. On expiration or termination of this Agreement other than for breach by either party (in which case the parties shall be entitled to rely upon their rights set forth herein or under the general law, except that neither party shall be entitled to recover for indirect or consequential damages), (a) Owner shall be released from and shall have no further obligation to pay any Base Management Fee or Incentive Fee which would otherwise be due and payable subsequent to the effective date of such termination, (b) all operating permits and licenses (collectively "**Permits**") shall be assigned to Owner or its designee, provided, however, if any of the foregoing are not subject to immediate assignment, F&B Operator shall enter into a separate agreement with Owner permitting Owner or its designee to use such Permits until such time as the Permits are transferred to Owner or Owner obtains new Permits, (c) all rights granted to Owner under this Agreement relating to F&B Operator's IP shall terminate in accordance with the provisions of Section 10 hereof; and (d) Owner's remaining obligations (other than any indemnification obligations of Owner, which shall survive any such termination) shall be to pay to F&B Operator the amount of any unpaid Base Management Fee and Incentive Fee which has been earned prior to the effective date of such termination but has not yet been paid prior to the effective date of such termination, less any amounts that Owner may lawfully claim as an offset against or deduction from any amount owed to F&B Operator by Owner, to the extent that such sums are undisputed between the parties, but such obligation to pay and right of offset or deduction shall in no way be construed to prevent F&B Operator or Owner from claiming a Dispute.

16.3 Final Accounting. On the expiration or any termination of this Agreement, the parties shall promptly account to each other with respect to all matters outstanding as of the effective date of the expiration or termination, and F&B Operator shall promptly turn over to Owner all correspondence, files, books, records and bank accounts in respect of the F&B Operation which are in the F&B Operator's possession, except those records, if any, which are proprietary to F&B Operator, which are required by any Law(s) to be retained by the F&B Operator, or copies thereof maintained for F&B Operator's files, provided that the confidentiality of such copies shall be maintained.

16.4 Cessation By F&B Operator. F&B Operator agrees that upon the effective date of the expiration or termination of this Agreement, F&B Operator immediately shall cease acting as the operator and manager of the F&B Operation and shall vacate the F&B Operation in an orderly fashion.

16.5 Post-Termination Actions. Prior to the expiration or earlier termination of this Agreement, F&B Operator and its agents, representatives or employees shall take all reasonable and customary actions to cooperate with Owner and Hotel Operator to effect a timely and orderly

transition of the operation and management of the F&B Operation to Owner or its designee; provided, however, that such actions shall be completed prior to the effective date of termination. After the expiration or earlier termination of this Agreement, F&B Operator and its agents, representatives or employees shall not use any name that contains any word(s) referring to the Hotel or the F&B Operation, or state or imply in any advertisement, notice, sign, or otherwise that F&B Operator or any of the employees of F&B Operator continues to be connected in any manner with the Hotel or the F&B Operation, or use any device or set of words that might so indicate (other than the street address of the Hotel or the F&B Operation), except with Owner's prior written consent in each instance, which may be withheld in Owner's sole discretion. After the expiration or earlier termination of this Agreement, neither party shall have any further rights hereunder to use any intellectual property of the other party. Owner and F&B Operator, and to the extent under their control, any of their respective officers, managers, members or agents, shall not make to the general public any statement, oral or written, that directly or indirectly impugns the quality or integrity of any of the other parties, the F&B Operation, the Hotel or such parties' business or employment practices, or any other disparaging or derogatory remarks about the other parties' officers, managers, directors, trustees, managerial personnel or other employees.

16.6 Survival. This Section 16 shall survive the expiration or termination of this Agreement.

17. Force Majeure

17.1 Definition of Force Majeure. For purposes of this Agreement, "**Force Majeure Event**" means an event beyond the reasonable control of the Affected Party including, without limitation, acts of God, terrorism, war, riot, civil commotion, malicious damage, compliance with a law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, explosion, storm or any other form of natural disaster. Force Majeure Event shall not, however, include financial inability to pay any obligations or inability to obtain governmental permits, license and approvals.

17.2 Affected Party. If a party (the "**Affected Party**") is prevented, hindered or delayed from or in performing any of its obligations under this Agreement by a Force Majeure Event:

(a) as soon as reasonably possible after the start of the Force Majeure Event the Affected Party shall notify the other party in writing of the Force Majeure Event, the date on which the Force Majeure Event started and the effects of the Force Majeure Event on its ability to perform it obligations under this Agreement;

(b) the Affected Party shall make all reasonable efforts to mitigate the effects of the Force Majeure Event on the performance of its obligations under this Agreement; and

(c) the Affected Party's obligations under this Agreement are suspended only while the Force Majeure Event continues and to the extent that it is prevented, hindered or delayed.

17.3 Termination

(a) If the Hotel or F&B Operation suffers material damage due to a Force Majeure Event, and such damage cannot reasonably be repaired in one hundred forty (140) days or less,

Owner may terminate this Agreement on thirty (30) days written notice to F&B Operator. If as a result of any such Force Majeure Event to the F&B Operation or the Hotel, Owner, in its sole and absolute discretion, elects not to terminate this Agreement, but instead to suspend F&B Operator's engagement as the manager of the F&B Operation, then Owner, by notice to F&B Operator, may so suspend such engagement until such time as Owner places the F&B Operation back in service, which suspension shall extend the Term by the period of such suspension; provided, however, that if any such suspension shall exceed one hundred forty (140) days in duration, then either party shall have the right to terminate this Agreement by written notice to the other party. Any such suspension shall also suspend (but not extinguish) Owner's obligation to pay the Base Management Fee, Incentive Fee, and any other amounts owed to F&B Operator which had accrued prior to, or would otherwise be due and payable subsequent to, the effective date of such suspension.

(b) If F&B Operator is prevented, hindered or delayed from or in performing any of its obligations under this Agreement by a Force Majeure Event that does not fall within sub-paragraph (a) above, Owner shall be entitled to terminate this Agreement in the event that such Force Majeure Event so prevents, hinders or delays F&B Operator from performing the said obligations for a period longer than one hundred twenty (120) days.

17.4 F&B Operator's Duties. In the event of any damage or loss to the F&B Operation or the FF&E by a Force Majeure Event, F&B Operator shall:

(a) give immediate written notice thereof to Owner;

(b) cooperate with Owner's efforts in connection with the insurance covering such damage or loss (at Owner's expense); provided, however, that F&B Operator shall not enter into any settlement or compromise for the payment of such proceeds without Owner's prior written approval; and

(c) cooperate with Owner to cause the F&B Operation or the FF&E, in Owner's name and at Owner's expense, to be repaired and restored as nearly as practicable to the condition existing immediately prior to such damage or destruction.

17.5 Compliance With Mortgages and Leases. F&B Operator shall cause to be taken all such actions with respect to such damage or loss, and the insurance proceeds thereon, as may be directed by Owner with respect to the provisions of all Mortgages or operating leases or agreements from time to time outstanding.

18. Governing Law, Jurisdiction and Dispute Resolution

18.1 Governing Law. This Agreement is governed by, and to be construed in accordance with the laws of the state of Illinois.

18.2 Expert Determination.

(a) Matters for Expert Determination.

All disputes relating to any of the following matters shall be resolved according to this Section 18.2:

(i) amounts due to F&B Operator under Section 8.4;

(ii) approval or modification of any Annual Plan line items;

(iii) approval or modification of the Sales Threshold and the Profit Threshold as contemplated in Section 15.1(a);

(iv) the results of an audit as contemplated by Section 7.2; and

(v) amounts due to F&B Operator or Owner on termination of this Agreement (excluding damages).

(b) Selection of Expert; Procedure; Fees and Expenses.

"**Expert**" shall mean an independent, internationally recognized hotel food and beverage consulting firm or individual who is qualified to resolve the issue in question, and who is appointed in each instance by agreement of the Parties. If the Parties cannot agree on an Expert within ten (10) Business days, each Party shall select an expert and the two selected experts shall mutually agree on the Expert. In any case in which an Expert is appointed, the following guidelines shall apply:

(ii) For purposes of this Section 18.2, and not of other sections of this Agreement, the use of the Expert shall be the exclusive remedy of the Parties with respect to the dispute submitted for Expert determination and neither Party shall attempt to adjudicate such dispute in any other forum. For purposes of this Section 18.2, the decision of the Expert shall be final and binding on the Parties and shall not be capable of challenge, whether by arbitration, in court or otherwise;

(iii) Each Party shall be entitled to make one written submission to the Expert, and shall provide additional materials or submissions at the request of the Expert, and if a Party makes any submission it shall also provide a copy to the other Party. Each Party shall have the right to comment on the other Party's initial submission. The Parties shall make available to the Expert all books and records relating to the issue in dispute and shall render to the Expert any assistance requested of the Parties. The costs of the Expert and the proceedings shall be borne as directed by the Expert unless otherwise provided for herein;

(iv) The Expert shall make its decision with respect to the matter referred for determination by applying the standards applicable to first-class hotels

(including compliance with the requirements of any quality assurance program) and determining whether the matter at issue is necessary to satisfy such standards; and

(v) The terms of engagement of the Expert shall include an obligation on the part of the Expert to: (A) notify the Parties in writing of his or her decision within forty-five (45) days from the date on which the Expert has been selected (or such other period as the Parties may agree or as set forth herein); and (B) establish a timetable for the making of submissions and replies.

The authority of the Expert is limited to deciding the matter submitted to it.

(c) Decision of Expert. All decisions of the Expert under Section 18.2, absent fraud, are final and binding on the Parties and shall not be capable of challenge, whether by arbitration, in court, or otherwise, and are enforceable in any court of competent jurisdiction.

18.3. Other Disputes. Except for disputes relating to matters resolved in accordance with Section 18.2, the Parties may not commence litigation or other legal proceedings with respect to any dispute, claim or issue arising out of or relating to the relationship created by this Agreement ("**Dispute**") until the Party has complied with this Section 18.3. In the event of any Dispute (other than matters resolved in accordance with Section 18.2), the Parties shall first attempt to resolve the Dispute in accordance with this Section 18.3. Except for disputes relating to matters resolved in accordance with Section 18.2, the Parties must first attempt to settle the Dispute by participating in at least eight (8) hours of mediation, or such shorter period as the Parties may agree. The mediation process shall be administered by JAMS or its successors ("**JAMS**"). The mediation shall be held in Chicago, Illinois, (the "**Situs**"). If, at the time a Dispute arises, JAMS does not exist or does not have a mediator that can serve in accordance with the terms of this Section 18.3, and the Parties cannot agree on the identity of a substitute service provider, then the complaining Party must petition a state or federal court in the State of Illinois in the county of Cook to identify a substitute service provider, and the service provider identified by such court shall administer the mediation process in accordance with the terms of this Section 18.3. The service provider identified in accordance with the provisions of this Section 18.3 is referred to in this Agreement as the "**ADR Provider**." The complaining Party must notify the other Party or Parties that a Dispute exists and then contact the ADR Provider to schedule the mediation conference. The mediator shall then be selected under the rules of the ADR Provider, but the mediator must have experience in the hospitality industry and must not have any conflict of interest. If one Party invokes mediation pursuant to this Section 18.3, the other Party will make good faith efforts to meet within a reasonable time to undertake the mediation. If a Party has not made good faith efforts to undertake mediation within forty-five (45) days after the other Party has invoked mediation, then the Party that had invoked such mediation may proceed to litigation or other legal proceedings without further action. The mediation shall be a non-binding conference between the Parties in accordance with applicable rules and procedures of the ADR Provider. No Party may initiate legal proceedings until the mediation is complete. Any mediation is considered complete:

(a) if the Parties enter into an agreement to resolve the Dispute;

(b) by the Party submitting the Dispute to mediation, if the other Party fails to appear at or participate in a reasonably scheduled mediation conference; or

(c) if the Dispute is not resolved within five (5) days after the mediation is completed.

The Parties shall share equally the costs, including fees, of the any mediator selected or appointed under this Section 18.3. As soon as practicable after selection of the mediator, the mediator or the mediator's designated representative shall determine a reasonable estimate of the mediator's anticipated fees and costs, and send a statement to each Party setting forth that Party's equal share of the fees and costs. Each Party shall deposit, within ten (10) days after receipt of the statement, the required sum with the mediator.

18.4 Legal Proceedings. For any Dispute other than matters resolved in accordance with Section 18.2, in the event the Parties are unable to resolve the Dispute after complying with Section 18.3, the Parties shall have the right to commence litigation or other legal proceedings with respect to the Dispute. The prevailing Party in any suit or other action arising out of or related to this Agreement is entitled to recover its reasonable fees, costs and expenses relating to the action or the Dispute, including reasonable judicial and extra-judicial attorneys' fees, expenses and disbursements, and fees, costs and expenses relating to any mediation, arbitration or other action.

18.5 Temporary Restraining Orders or Other Injunctive Relief. Notwithstanding the preceding terms and the other provisions of this Section 18, either Party may seek temporary restraining orders or other injunctive relief in the federal or state courts of the Situs to prevent the other Party from any breach or threatened breach of any restrictive covenant, provided that ultimate disposition of such matter shall be determined by the other applicable provisions of this Section 32.

18.6 Intellectual Property Disputes. Notwithstanding the other provisions of this Section 18 or anything to the contrary herein, Manager or its Affiliates may bring an action in any court of competent jurisdiction to enforce or protect its rights in Manager Intellectual Property, including enjoining any unauthorized or improper use of the Manager Intellectual Property.

18.7 Survival. The terms of this Section 18 shall survive the termination of this Agreement.

19. Subordination

19.1 This Agreement and the rights of the parties hereunder shall at all times be subject and subordinate to all Mortgages and management agreements now or hereafter covering the operation and management of the Hotel, and operating leases or similar financing agreements which may now or hereafter be outstanding, and to all renewals, modifications, consolidations, replacements, and extensions thereof. This Section shall be self-operative and no further instrument of subordination shall be required to effectuate the terms hereof; provided, however, F&B Operator covenants and agrees promptly to execute and deliver any commercially reasonable form of certificate or other document that Owner, any lessor, F&B Operator or any mortgagee may reasonably request as to such subordination, provided all attorneys' fees reasonably incurred by F&B Operator in connection with the review and revision of such certificate or document shall be paid for by Owner. Nothing herein shall impose any liability on F&B Operator with respect to any such management agreement, lease or Mortgage.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, IN NO EVENT SHALL THIS AGREEMENT CREATE ANY REAL PROPERTY INTEREST AND SHALL BE SOLELY A CONTRACT FOR SERVICES.

20. Indemnification

20.1 Indemnification By F&B Operator. To the fullest extent permitted by Law, F&B Operator shall indemnify, defend and hold harmless Owner and its Affiliates, elected officials, officers, partners, members, trustees, employees and agents (individually, and collectively, "**Owner Indemnified Person**") from any and all liability (common law, equitable, statutory, and punitive), claim, loss, damage or expense, including, but not limited to, reasonable attorneys' fees sustained by or asserted against an Owner Indemnified Person if such liability, claim, loss, damage or expense results from or arises out of (i) the negligent acts or omissions, willful misconduct or fraud of F&B Operator, its Affiliates, or any person employed by F&B Operator or its Affiliates, (ii) the use of the F&B Operator IP, and (iii) the Hotel CBA or any successor CBA, or any breach or violation of F&B Operator's obligations under Section 6.5 of this Agreement. Additionally, to the extent that the same have been supplied, created or designed by F&B Operator or any of its Affiliates, or F&B Operator or any of its Affiliates has procured the supply, creation or design of the same, F&B Operator shall indemnify and keep indemnified each Owner Indemnified Person from and against all actions, claims, demands, proceedings, losses, damages, costs, charges and expenses arising out of or in connection with any claim or action that the use or possession by Owner of any product or service supplied by the F&B Operation under the terms of this Agreement, or any element of the F&B Operation concept or the FF&E, infringes any intellectual property rights of any third party.

20.2 Indemnification Procedures. The party entitled to indemnification under this Agreement (the "**Indemnified Party**") shall be entitled, upon notice to the indemnifying party (the "**Indemnifying Party**"), to the timely appointment of counsel by the Indemnifying Party for the defense of any Third-Party Claim, which counsel shall be subject to the reasonable approval of the Indemnified Party. If, in the Indemnified Party's reasonable judgment, a conflict of interest exists between the Indemnified Party and the Indemnifying Party at any time during the defense of the Indemnified Party, the Indemnified Party may appoint, at the Indemnifying Party's expense,

independent counsel of its choice for the defense of the Indemnified Party as to such Third-Party Claim. In addition, regardless of whether the Indemnified Party has appointed counsel or selects independent counsel: (a) the Indemnified Party shall have the right to participate in the defense of any Third-Party Claim and approve any proposed settlement of such Third-Party Claim, and (b) all reasonable costs and expenses (including attorney's fees and expenses, and costs incurred in connection with discovery requests) of the Indemnified Party shall be paid by the Indemnifying Party. If the Indemnifying Party fails to timely pay such costs and expenses (including attorney's fees and costs), the Indemnified Party shall have the right, but not the obligation, to pay such amounts and be reimbursed by the Indemnifying Party for the same. The Parties hereby acknowledge that it shall not be a defense to a demand for indemnity that less than all Third-Party Claims asserted against the Indemnified Party are subject to indemnification. As used herein, "**Third-Party Claim**" shall mean any claim from any person other than Owner and F&B Operator, which claim is subject to the indemnity obligations of either Owner or F&B Operator hereunder, as applicable.

20.3 Miscellaneous. The obligations set forth in this Section 20 shall survive the expiration or any termination of this Agreement. Notwithstanding any contrary provision of this Section 20, Owner and F&B Operator mutually agree for the benefit of each other to look first to the appropriate insurance coverages in effect pursuant to this Agreement in the event any claim or liability occurs as a result of injury to person or damage to property, regardless of the cause of such claim or liability. In no event shall the settlement by either party of any claim brought by a third party in connection with the ownership or operation of the Hotel be deemed to create any presumption of the validity of the claim.

20.4 Mitigation. The Indemnified Party covenants and agrees to use commercially reasonable efforts to mitigate its loss in respect of any claim arising under the indemnities in this Section 20.

21. Confidential Information

21.1 Confidentiality. Owner and F&B Operator acknowledge that, in connection with this Agreement and the transactions contemplated hereby, each may receive certain material (referred to hereinafter as "**Confidential Information**") which is not publicly known concerning the business and affairs of the other. Confidential Information shall include, without limitation, the terms of this Agreement, marketing plans and financial plans, information regarding the operating standards of each party's other operations and, in respect of F&B Operator, business plans, guest lists, surveys, purveyors, service providers, and contractual arrangements and any other matters concerning the clientele of the F&B Operation, and, in respect of Owner or Hotel Manager providers of services to Owner or Hotel Manager; marketing information, business plans, customer lists, guest lists, supplier lists, market research reports and surveys relating to the Hotel; and contractual arrangements and any other matters concerning the clientele of the Hotel or other persons having dealings with Hotel Operator and/or its Affiliates.

21.2 Permitted Disclosures. The parties agree that each of them has a proprietary interest in their respective Confidential Information. Neither Owner nor F&B Operator shall disclose Confidential Information except (i) to their agents, attorneys or accountants or (ii) as may be required by applicable law, by court order, or by obligations imposed on the disclosing party

pursuant to any listing agreement with any national securities exchange. All disclosures of Confidential Information to a party, its agents, employees and sublicensees shall be held in strict confidence by such party, its agents, employees and sublicensees, and such party may disclose the Confidential Information only to those of its agents, employees and sublicensees to whom it is necessary in order to properly carry out their duties hereunder. No party shall use the Confidential Information of the other after the termination or expiration of this Agreement and shall, upon request, return all copies of the Confidential Information to the other as soon as practicable after termination or expiration of this Agreement, subject to any corporate retention policy or legal requirements.

21.3 Copies and Reproductions. For the purposes of this Agreement, all terms regarding the use, disclosure, return and destruction of Confidential Information shall apply to all (i) copies or other reproductions of any Confidential Information provided to, for or on behalf of the receiving party pursuant to this Agreement, and (ii) summaries, abstracts, compilations, analyses and other documents or materials produced by, for or on behalf of the receiving party based on any Confidential Information, but only to the extent of the portion thereof containing excerpted Confidential Information.

21.4 Dissemination of Information. All dissemination of information with respect to this Agreement or the transactions contemplated hereby including, without limiting the generality of the foregoing, releases to the news media generally and advertising, shall be in the form as the parties may mutually agree upon as to the content and neither party shall disseminate any information with respect to this Agreement or the transactions contemplated hereby at any time without the written consent of the other except as may be required by law.

21.5 Applicability. The provisions of this Section 21 shall not apply to information which: (i) either party can show to the other's reasonable satisfaction was lawfully in its possession at the time of disclosure and was not acquired either directly or indirectly from the other party; (ii) is generally known, other than due to the negligent act or omission or breach of this Agreement by either party; (iii) either party obtains from a third party which was entitled to disclose that information without any restriction; or (iv) either party is required to disclose by a regulatory authority or court of competent jurisdiction.

21.6 Survival. The provisions of this Section 21 shall survive the expiration or termination of this Agreement.

21.7 Injunction. Both parties agree that any breach, by either party of the provisions in this Clause 21 would cause the other party irreparable injury and that money damages would be an inadequate and insufficient remedy. Both parties agree that if there is a breach by either party, the aggrieved party shall be entitled, without proof of special damage, to the remedies of injunction, specific performance and other equitable remedies for any threatened or actual breach of any provision in Section 21 by the other party.

22. Miscellaneous

22.1 Notices. Any and all notices by either party to be delivered to the other party shall be sent by (i) recognized overnight courier, (ii) registered or certified mail, return receipt requested, (iii) facsimile, or (iv) personal delivery, as follows:

If to Owner, to:

City of Chicago Department of Aviation
10510 West Zemke Road
Chicago, IL 60666

Attn: Commissioner of Department of Aviation

With a copy to:

Deputy Commissioner

Also with a copy to:

City of Chicago, Department of Law
Aviation, Environmental, Regulatory and
Contracts Division
30 North LaSalle Street, Suite 1400
Chicago, IL 60202

Attn: Deputy Corporation Counsel

If to F&B Operator, to:

Hyde Park Hospitality LLC
17 N. Loomis, Suite 1A
Chicago, IL 60607

Attn: Mark Brooks

Either party shall have the right to designate different addresses by serving written notice of change of address in the manner stated above. All notices hereunder shall be in writing. All notices sent by any party under this Agreement shall be deemed to have been received by the party to whom such notice is sent upon (a) delivery to the address of the recipient party, provided that such delivery is made prior to 5:00 p.m., local time for the recipient party, on a business day, otherwise the following business day, or (b) the attempted delivery of such notice if (1) such recipient party refuses delivery of such notice, or (2) such recipient party is no longer at such address number, and such recipient party failed to provide the sending party with its current address pursuant to this Section 22.1. For the purposes of this Section 22.1, a notice will be deemed to have been received on the dates stipulated notwithstanding any refusal by the intended recipient to accept delivery of the notice or other communication.

22.2 Integration. This Agreement supersedes all agreements previously made between the parties relating to its subject matter. There are no other understandings or agreements between them as of the Effective Date.

22.3 No Amendment. This Agreement may not be changed, supplemented or modified except by another agreement in writing signed by Owner (or Hotel Operator as agent of Owner) and F&B Operator.

22.4 No Waiver. No delay or failure by either party to exercise any right under this Agreement, and no partial or single exercise of that right, shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

22.5 Headings. Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

22.6 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

22.7 Successors and Assigns. Subject to the terms of this Agreement, the provisions of this Agreement shall be binding upon and inure to the benefit of the parties and their respective legal representatives, successors and assigns.

22.8 Severability. If any term or provision of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remaining terms and provisions of this Agreement, or the application of such terms or provisions to the person or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

22.9 Experience. Each party represents that it is knowledgeable and sophisticated in business matters, including the subject matter of this Agreement, it has read this Agreement and it understands its terms. Each party acknowledges that, prior to assenting to the terms of this Agreement, it has been given a reasonable time to review it, to consult with counsel of its choice and to negotiate at arm's length as to its contents. The parties agree that the language used in this Agreement is the language chosen by the parties to express their mutual intent, and that they have entered into this agreement freely and voluntarily and without pressure or coercion from anyone.

22.10 Authority. F&B Operator represents and warrants to Owner that (i) F&B Operator has full power and authority to execute and deliver this Agreement and to perform all obligations of F&B Operator hereunder, and (ii) the execution and delivery by the signer on behalf of F&B Operator and the performance by F&B Operator of its obligations hereunder has been duly and validly authorized by all necessary action by F&B Operator. Owner represents and warrants to F&B Operator that (a) Owner has full power and authority to execute and deliver this Agreement and to perform all obligations of Owner hereunder, and (b) the execution and delivery by the signer on behalf of Owner and the performance by Owner (or Hotel Operator) of its obligations hereunder has been duly and validly authorized by all necessary action by Owner.

22.11 No Implied Representations. It is agreed that neither party has relied upon any promises, warranties, or representations made or alleged to have been made by the other party, except as expressly herein contained. Nothing in this Section 22.11 shall operate to limit or exclude any liability for fraud.

22.12 Rights Cumulative. Except where this Agreement provides otherwise the rights and remedies contained in this Agreement are cumulative and not exclusive of rights or remedies provided by law.

22.13 No Partnership. No provision of this Agreement creates a partnership or the relationship of employer and employee between the parties for any purpose. A party has no authority or power to bind, to contract in the name of, or to create a liability for the other party in any way except as expressly set out in this Agreement.

22.14 Survival of Representations. Except to the extent that they have been performed and except where this Agreement provides otherwise, the warranties, representations, indemnities, and obligations contained in this Agreement remain in force throughout the Term of this Agreement.

22.15 Default Interest. If any payment by Owner to F&B Operator or F&B Operator to Owner due under this Agreement is not paid on the due date (whether formally demanded or not) interest on such monies shall be charged at the rate of (a) "Prime" plus two percent (2%) per annum) or (b) the maximum rate of interest allowed by law, whichever shall be less, from the due date until actual payment. For the purposes of this Agreement, "**Prime**" shall mean the rate per annum announced from time to time by the *Wall Street Journal* as its prime or equivalent rate of interest.

23. Prohibition on F&B Operator Assignment. F&B Operator shall not transfer, assign or encumber its rights and/or obligations under this Agreement, or any ownership interests in F&B Operator, in each case without Owner's prior written consent. Any attempted assignment, delegation or sub-contracting of this Agreement in violation of the provisions of this Section 23 shall be void and of no effect. Notwithstanding anything contained in this Agreement to the contrary, if pursuant to this Section 23, F&B Operator, without Owner's consent, knowingly or negligently transfers or assigns its rights and/or obligations under this Agreement to a Prohibited Transferee, then Owner shall have the right to immediately terminate this Agreement without the payment of any termination fee or penalty upon delivery of written notice of termination to F&B Operator. For purposes of the foregoing, "**Prohibited Transferee**" shall mean a person that (1) is engaged, directly or indirectly through an Affiliate, in the business of owning, operating, licensing (as licensor), franchising, or managing a hotel brand or lodging system of hotels; (2) would cause the loss of the Hotel's Liquor License; or (3) is affiliated with the government of any country with which, or is itself a company with which, corporate citizens of the United States of America are prohibited from transacting business by any law, regulation or decree of the United States of America or its political subdivisions.

24. Intentionally Deleted.

25. Costs. Except where this Agreement provides otherwise, each party shall pay its own costs relating to the negotiation, preparation, execution and implementation by it of this Agreement and of each document referred to in it.

26. Third Party Beneficiaries. Except as otherwise expressly provided herein, the parties acknowledge and agree that Owner may assign, delegate or jointly exercise all or any part of its rights and obligations hereunder to or with any one or more of the following: Hotel Operator, and/or its Affiliates, or any successors thereto (collectively "**Beneficiary Parties**"), provided that

Owner shall not be released from liability or from the obligation to ensure performance of its obligations under this Agreement. All such Beneficiary Parties to whom certain rights and obligations of Owner have been delegated, assigned or shared shall, to the extent of such assigned, delegated or shared rights and obligations, be an express and intended third-party beneficiary of this Agreement. Without limiting the generality of the foregoing, with respect to the rights and obligations assigned to, delegated to or shared with the Beneficiary Parties by Owner, the Beneficiary Parties shall have the right to enforce such rights and obligations to the same extent as Owner. Except as provided above, nothing in this Agreement, express or implied, shall confer upon any person or entity, other than the parties, their authorized successors and assigns, any rights or remedies under or by reason of this Agreement.

[signatures appear on following page]

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed on the day and year first above written.

CITY OF CHICAGO
solely in its capacity as Owner

By:_____

Name: _____
Title:

HYDE PARK HOSPITALITY LLC

By:_____

Name: _____
Title:

SCHEDULE A

THE F&B OPERATOR TRADE MARKS

[*to be attached after the F&B Operation Trade Mark and F&B Operation IP are determined pursuant to the terms of this Agreement*]

SCHEDULE B

THE HOTEL OPERATOR TRADE MARKS

[*to be attached after the F&B Operation Trade Mark and F&B Operation IP are determined pursuant to the terms of this Agreement*]

SCHEDULE C-1
F&B OPERATOR'S INSURANCE

During the term of this agreement, F&B Operator shall carry the following insurance coverage with insurance companies possessing a minimum A.M. Best rating of A-VIII:

1. Commercial General Liability Insurance in the broadest form then available covering Liability to third parties for Bodily Injury and Physical Damage. Included in this policy shall be Products Liability insurance, Fire Legal Liability insurance and Employee Benefit Liability insurance. It shall include Liquor Liability and property damage with an annual combined single limit of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate. To the extent that contractual liability coverage for the matters contained in Section 20 is available on reasonable commercial terms, such insurance shall include contractual liability coverage for the performance by F&B Operator of its indemnities in Section 20 hereof. Such limit may be satisfied through any combination of primary liability and umbrella liability policies;

2. Employer's Liability insurance covering and satisfying F&B Operator's obligations and liabilities under the worker's compensation laws of Illinois for any employees of F&B Operator (as opposed to employees of Owner) providing services with respect to the F&B Operation for and on behalf of Owner, including employer's liability insurance with limits of not less than $1,000,000 for each accident/disease-each employee/ disease-policy limit;

3. Workers Compensation Insurance covering all Employees of the F&B Operation and persons who may be deemed to be Employees of F&B Operator.

4. Property insurance on an all or special risk form covering all assets F&B Operator may have on premises, if any. Coverage should also include Business Interruption insurance covering F&B Operator's estimated lost net income (which should include management fees) for a period F&B Operator and Owner deem appropriate. This policy shall include a waiver of subrogation from the insurer in favor of the Additional Insured, if allowed;

5. If F&B Operator operates owned, hired or non-owned vehicles in connection with the F&B Operation, Comprehensive Automobile Liability insurance covering bodily injury (including personal injury) and property damage with a combined single limit of not less than $1,000,000 per occurrence; and

6. Umbrella Liability coverage with limits of $5,000,000 per occurrence and annual aggregate, per location. Coverage should apply on an Umbrella basis over Commercial General Liability, Automobile Liability and Employer's Liability.

7. Fidelity Insurance: There shall be Fidelity Insurance in the amount of $500,000 plus Crime Insurance sufficient to cover the exposure at any time.

A certificate of insurance evidencing the above policies shall be delivered to Owner within thirty (30) days after the full execution of this Agreement and from time to time at least thirty (30) business days before the terminate date of each such policy. Under the CGL policy, Owner shall

be added as an additional insured (the "**Additional Insured**"). Under the Property insurance, the certificate of insurance shall evidence the waiver of subrogation.

All such policies maintained by F&B Operator shall provide ten (10) days' prior written notice to F&B Operator of any termination, cancellation or material change in coverage or limits. The F&B Operator shall promptly bring any such notices to the attention of Owner upon receipt of such and in all cases no later than two (2) working days of receipt by F&B Operator. All policies maintained by F&B Operator shall be written as primary policies, not contributing with or supplemental to the insurance maintained for any of the Additional Insured.

SCHEDULE C-2
OWNER'S INSURANCE

During the Term of this Agreement, Owner shall carry the following insurance coverage with insurance companies possessing a minimum A.M. Best rating of A-VIII:

1. All insurance required by any governmental agency with jurisdiction over the Hotel.

2. If Owner operates owned, hired or non-owned vehicles, Comprehensive Automobile Liability insurance covering bodily injury (including personal injury) and property damage with a combined single limit of not less than $1,000,000 per occurrence.

3. Commercial General Liability Insurance in the broadest form then available covering Liability to third parties for Bodily Injury and Physical Damage. Included in this policy shall be Products Liability insurance, Fire Legal Liability insurance and Employee Benefit Liability insurance. It shall include Liquor Liability.

4. Property insurance on an all or special risk form covering the Hotel, including the F&B Operation. This policy shall include a waiver of subrogation from the insurer in favor of F&B Operator, if allowed.

A certificate of insurance evidencing the above policies shall be delivered to F&B Operator concurrently with the execution of this Agreement, and from time to time at least twenty (20) days prior to the expiration of the term of each such policy. Under the Property insurance, the certificate of insurance shall evidence the waiver of subrogation.

All such policies maintained by Owner shall provide thirty (30) days prior written notice to F&B Operator of any termination, cancellation or material change in coverage or limits. All policies maintained by Owner shall be written as primary policies, not contributing with or supplemental to the insurance maintained for any of the F&B Operator Additional Insured. All deductibles or self-insured retentions are subject to the prior written approval of F&B Operator.

SCHEDULE D

SPECIAL CONDITIONS REGARDING ACDBE PARTICIPATION

Chicago Department of Aviation September 8, 2015

Special Conditions Regarding Airport Concession Disadvantaged Business Enterprise (ACDBE) Commitment

[Special Conditions document follows]

SPECIAL CONDITIONS REGARDING

AIRPORT CONCESSIONS DISADVANTAGED BUSINESS ENTERPRISE (ACDBE)

COMMITMENT

I. POLICY AND PROGRAM

It is the policy of the City of Chicago ("City") not to discriminate on the basis of race, color, sex or national origin in the award or performance of airport concession agreements. Because the City is a recipient of Airport Improvement Program funds from the Federal Aviation Administration ("FAA"), the concessions at the City's airports are subject to 49 CFR Part 23, Participation of Disadvantaged Business Enterprise in Airport Concessions ("Part 23"). The City will not, directly or indirectly, through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or impeding the accomplishment of the objectives of Part 23. Compliance with Part 23 requirements will not diminish or supplant the Tenant's obligations to comply with non-discrimination laws as required elsewhere in the Agreement. In the event of a conflict between the provisions of these Special Conditions and the requirements of Part 23, the requirements of Part 23 shall prevail. Part 23 is available on-line at www.access.gpo.gov/nara/cfr/waisidx_06/49cfr23_06.html.

It is further the policy of the City, in accordance with the requirements of Part 23, that Airport Concession Disadvantaged Business Enterprises ("ACDBEs") have the maximum opportunity to participate fully in the City's airport concession program. As used throughout these Special Conditions, the term "ACDBE" means an entity that has been certified as such under the Illinois Unified Certification Program ("UCP"). If a firm is not certified by the Illinois UCP as an ACDBE in accordance with the standards in Part 23, the firm's participation is not counted for Part 23 purposes. ACDBEs certified by other jurisdictions are not considered certified ACDBEs for purposes of this Agreement and will not be counted as such unless they have also been certified by the Illinois UCP.

In accordance with Part 23, Subparts B and D, the City submitted an ACDBE Program and ACDBE Goal for approval by the FAA. The FAA-approved ACDBE Program and ACDBE Goal are available upon request.

In the event of any amendments or revisions to Part 23 (or any related or superseding regulations), these Special Conditions shall be subject to such revised regulations and any City-promulgated program, regulations, or goals established thereunder. Upon request by the City, this Agreement shall be amended to replace these Special Conditions with revised Special Conditions that reflect the then-current federal regulations, if necessary.

The following assurances are required to be included in the Agreement by 49 CFR §23.9(c). Tenant is deemed to be the "concessionaire or contractor" referenced.

1. This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase order or other agreement covered by 49 CFR Part 23.

2. The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR Part 23, that it enters and cause those businesses to similarly include the statements in further agreements.

II. GOALS

The City has established, and the Federal Aviation Administration has approved, aspirational goals for ACDBE participation in its airport concessions program as required by Part 23, Subpart D. Generally, ACDBE participation in airport concessions is measured as a percentage of annual gross receipts earned by the concessions. Details on counting ACDBE participation are found in 49 CFR §§ 23.53 (rental car concessions) and 23.55 (non-rental car concessions) and described further below:

Rental Car Concessions. Due to the lack of ACDBE rental car companies, the national or regional nature of rental car industry procurement practices and a general lack of reliable historical data, the City has determined that the aspirational goal for ACDBE participation in rental car concessions is 1.7%. Nevertheless, rental car concessionaires are encouraged to use all reasonable efforts to maximize procurement of goods and services from ACDBEs that may be certified in the Illinois UCP or the UCPs of other states.

Non-Rental Car Concessions. The City has determined that the appropriate aspirational goal for ACDBE participation in non-rental car concessions is 37%. Historical data regarding ACDBE participation at the City's airports

indicates that this aspirational goal should consist of a race-neutral goal of 17% and a race-conscious goal of 20%.

The foregoing aspirational goals are for the City's concessions program as a whole. With respect to this Agreement, the City may or may not have established a contract-specific ACDBE aspirational goal at the time that the City issued the Request for Proposals for the concession ("RFP"). If the RFP included a contract-specific goal, Tenant's proposal either included participation by ACDBE(s) that met or exceeded the contract-specific goal or Tenant demonstrated "good faith efforts" to meet that contract-specific goal but was unable to do so. Guidance on "good faith efforts" can be found in Appendix A to 49 C.F.R. Part 26. Appendix A as it appears on the date of the Agreement is incorporated in Section VI.A. of these Special Conditions, but Tenant is responsible for compliance with federal regulations as they may be amended from time to time.

III. TENANT'S ACDBE COMMITMENT

A. INITIAL ACDBE COMMITMENT

1. Rental Cars. As provided in II above, there is no ACDBE participation goal for rental car concession agreements. Consequently, rental car concessions are not required to commit to a percentage participation by ACDBEs in the concession, but rental car companies are strongly encouraged to utilize ACDBEs to the maximum extent possible in the procurement of goods and services.

2. Non-Rental Cars. The extent and nature of the ACDBE participation commitment by Tenant is documented in Schedules B, C and\or D attached to these Special Conditions ("ACDBE Commitment"). As used these Special Conditions and in Schedules B, C and D, "Tenant" means the entity with whom the City has entered into a concession agreement, whether that entity is referred to in that agreement as "Tenant", "Licensee" or other term.

The total ACDBE Commitment, stated as a percentage of the concessions gross revenues, must equal or exceed the percentage ACDBE participation required in the Term Sheet attached to the Agreement as Exhibit 1. If the Term Sheet indicates that there is no ACDBE participation requirement for this concession, it will be conclusive evidence that either (a) the RFP contained no contract-specific goal and Tenant did not propose any ACDBE participation or (b) the Tenant demonstrated, to the satisfaction of the City, that it exerted good faith efforts to obtain ACDBE participation to meet a contract-specific goal but was unable to obtain such participation. In either such event, there will be no Schedule B, C or D attached to these Special Conditions.

If there is ACDBE participation in the form of a joint venture member, the attached Schedule B sets forth the essential terms of that joint venture participation, including a representation as to the value of the ACDBE's activities in operating the concession as a percentage of gross revenues, and a copy of the joint venture agreement is attached to Schedule B. If there is ACDBE participation is in the form of ACDBE(s) acting as sublicensee(s) or subcontractor(s), it is documented in Schedules C and D. Schedule(s) C is the commitment by the ACDBE(s) to participate by providing the goods or services indicated, and Schedule D is the commitment by the non-ACDBE to such participation by the ACDBE(s).

B. CHANGES IN ACDBE PARTICIPATION

Arbitrary changes by the Tenant in its ACDBE Commitment are prohibited. Further, after entering into a joint venture agreement, sublicense or subcontract (collectively, "ACDBE agreement") with each approved ACDBE, Tenant and each ACDBE must thereafter neither terminate the ACDBE agreement, reduce the scope of the ACDBE's participation in the concession, nor decrease the compensation to the ACDBE, as applicable, without in each instance receiving the prior written approval of the City. Tenant must promptly notify the Commissioner of any proposed change in an ACDBE agreement and submit a copy of the proposed amendment to the ACDBE agreement. In any event, the collective participation of the previously approved ACDBE(s) must either continue to contribute to the concession at least the value of the ACDBE Commitment, as stated in terms of a percentage of gross revenues, or substitute or additional ACDBE(s) must be retained by Tenant pursuant to (D) below to maintain the ACDBE Commitment, except as provided in (C) below. Failure to comply with the ACDBE Commitment is an event of default under the Agreement. If the

proposed change in ACDBE participation is approved by the City, Tenant and ACDBE(s) must complete revised Schedules B, C or D, as applicable.

C. INVOLUNTARY CHANGES IN ACDBE PARTICIPATION

1. In the event that it appears that Tenant will not comply with its ACDBE Commitment because: (i) an ACDBE has defaulted in its performance under the ACDBE agreement through no fault of Tenant, (ii) an ACDBE is decertified by the Illinois UCP through no fault of Tenant and the ACDBE's participation can no longer be counted, (iii) the ACDBE's certified area of specialty has been changed through no fault of Tenant and the ACDBE's participation can no longer be counted, or (iv) an ACDBE is otherwise unable or unwilling to perform its obligations through no fault of Tenant, then Tenant must promptly notify the City, specifying one or more of the foregoing reasons as the cause for potential noncompliance with the ACDBE

Commitment. If the City concurs with the specified reason, Tenant shall use good faith efforts as described in Section VI below to replace the ACDBE's participation with participation by another ACDBE. As provided in Section VI, Tenant must demonstrate those good faith efforts to the satisfaction of the Commissioner. In the event that Tenant wishes to replace an ACDBE or reduce an ACDBE's participation for reasons other than the foregoing, Tenant must replace the ACDBE's participation with participation by an ACDBE that is acceptable to the City so that total ACDBE participation meets or exceeds the ACDBE Commitment, and Tenant's good faith efforts to do so are not sufficient. Failure to comply with the foregoing shall be an event of default under the Agreement.

2. Tenant's position in these cases must be fully explained and supported with adequate documentation. Stated reasons which will NOT be acceptable include: A replacement firm has been recruited to perform the same function under terms more advantageous to the Tenant; issues about performance by the committed ACDBE were disputed (unless every reasonable effort has already been taken to have the issues resolved or mediated satisfactorily); and an ACDBE has requested reasonable price escalation which may be justified due to unforeseen circumstances.

D. ACDBE SUBSTITUTION AND ADDITIONAL ACDBEs

If Tenant identifies a substitute, replacement or additional ACDBE for the City's approval, Tenant's request for approval shall include the name, address, and principal official of the proposed ACDBE; the nature and essential terms of the ACDBE agreement under which the ACDBE will participate; and a letter of intent signed by Tenant and the ACDBE to enter into such an ACDBE agreement upon approval by the City. Tenant must provide such other affidavits and documents as the City may request to evaluate the request. The City will evaluate and respond to the submitted documentation within fifteen working days after the submittal of a complete request. The response may be in the form of approving the request, requiring more information, or requiring an interview.

Actual use of a substitute, replacement or additional ACDBE should not be made by Tenant before City approval is given. An ACDBE agreement between Tenant and the ACDBE must be executed within the time specified by the City, and a fully executed copy of the ACDBE agreement must be submitted immediately to the City.

E. AGREEMENT EXTENSIONS, ASSIGNMENTS AND SUBLEASES

If the Agreement contains a term extension or if the Tenant proposes an assignment or sublease of the Agreement, as a condition precedent to the City's consent to such extension, assignment or sublease, the City and

Tenant will revisit and possibly adjust the Tenant's ACDBE Commitment to reflect any possible change in ACDBE availability and to ensure compliance with Part 23 as it may have been amended in the interim. Tenant will be required to provide amended Schedules D, B, or C, along with amended ACDBE agreements, to reflect any required changes to the ACDBE Commitment or provide documentation of good faith efforts to achieve increased ACDBE participation.

IV. COUNTING ACDBE PARTICIPATION

A. NON-RENTAL CAR CONCESSIONS

In order for their participation in the concession to be counted and reported to the FAA, ACDBEs must perform a commercially useful function, as defined in 49 CFR § 23.55(a). The work performed or gross receipts earned by a firm after its ACDBE eligibility has been removed are not counted, except as provided in 49 CFR § 23.55(j). Costs incurred in connection with the renovation, repair, or construction of a concession facility (sometimes referred to as the "buildout") are not counted. Otherwise, ACDBE participation in non-rental car concessions is counted as follows:

1. Tenant is an ACDBE. When Tenant is an ACDBE or a joint venture consisting only of ACDBEs, the gross receipts earned by Tenant are counted. Gross receipts attributable to a non-ACDBE sublicensee of Tenant are not counted.

2. Separate locations. When an ACDBE performs as a sublicensee to Tenant with its own concession location or when Tenant is a joint venture which includes a non-ACDBE and in which an ACDBE operates its own separate location, the gross receipts earned by the ACDBE at its separate location are counted. The ACDBE location must be independently operated by the ACDBE as evidenced by the ACDBE's responsibility for all aspects of the management and operation of the location. Gross receipts attributable to a non-ACDBE sublicensee of the ACDBE are not counted.

3. Joint venture, no separate locations. When Tenant is a joint venture with an ACDBE participant and the ACDBE jointly participates with a non-ACDBE in the operation of all locations, only the portion of the Tenant's gross receipts attributable to the distinct, clearly defined portion of the work of the concession that the ACDBE performs with its own forces is counted. When the City has reason to doubt the extent of an ACDBE joint venturer's commercially useful contribution towards the concessionaire's gross receipts, the City may require Tenant to submit evidence to substantiate the value of the ACDBE's contribution. If the Tenant fails to submit satisfactory evidence, it is an event of default under the Agreement.

4. Subcontractor participation. When an ACDBE provides, as a subcontractor to Tenant, goods or services for operation of the

concession, the amounts paid to the ACDBE are counted as provided below. However, if the ACDBE enters into a subcontract with a non-ACDBE to provide the goods or services, the amounts paid to the non-ACDBE are not counted.

a. The entire amount of fees or commissions charged by an ACDBE firm for a *bona fide* service, provided that the City determines this amount to be reasonable and not excessive as compared with fees customarily paid for similar services. Such services may include, but are not limited to, professional, technical, consultant, legal, security systems, advertising, building cleaning and maintenance, computer programming, or managerial.

b. The entire amount of the cost of goods obtained from an ACDBE manufacturer, as provided in 49 CFR § 23.55(f).

c. The entire amount of the cost of goods purchased or leased from a ACDBE regular dealer, as provided in 49 CFR § 23.55(g).

d. For goods purchased from an ACDBE which is neither a manufacturer nor a regular dealer, the amount of reasonable fees, commissions, or delivery charges earned by the ACDBE, as provided in 49 CFR § 23.55(h).

B. RENTAL CAR CONCESSIONS

If Tenant is a rental car company, ACDBE participation counts in accordance with the provisions of 49 CFR §23.53. Goods and services will be counted in accordance with the following:

1. The entire amount of the cost charged by an ACDBE for repairing vehicles, provided that it is reasonable and not excessive as compared with fees customarily allowed for similar services; and further provided that any portion of a fee paid by a manufacturer to an ACDBE car dealership for reimbursement of work performed under the manufacturer's warranty is excluded;

2. The entire amount of the fee or commission charged by an ACDBE to manage a car rental concession under an agreement with the Tenant, provided that it is reasonable and not excessive as compared with fees customarily allowed for similar services.

3. For other goods and services, ACDBE participation counts as provided in 49 CFR §26.55 and §23.55. In the event of any conflict between these two sections, §23.55 controls.

4. If a rental car company has a national or regional contract with an ACDBE, it may count a pro-rated share of the amount of that contract toward the goals of each airport covered by the contract as provided in §23.55(f).

Rental car companies may also count ACDBE direct participation through direct ownership arrangements, but such arrangements are not required.

V. CERTIFICATION, RECORDS, REPORTS AND MONITORING

A. CERTIFICATION

Copies of letters of certification from a member of the Illinois UCP for each ACDBE that is part of Tenant's ACDBE Commitment are attached to their respective Schedule C or Schedule B. All letters of certification issued by the City of Chicago include a statement of the ACDBE firm's area of specialization.

Each ACDBE must promptly notify Tenant if there is any change in the ACDBE's certification status. Tenant, in turn, must notify Commissioner of any change in an ACDBE's certification status and provide a copy of any correspondence from the certifying agency regarding the status of an ACDBE's certification.

The ACDBE's scope of work, as detailed by Schedule B, C or D, must conform to its stated area of specialization. If, during the course of this Agreement, Tenant proposes to amend Schedules B, C or D so that an ACDBE performs additional work or supplies additional goods, materials or services not covered by its area of certification, the ACDBE must request an extension of its certification for such work, goods, materials or services in order to count toward the ACDBE's participation in the concession. The request to expand the scope of the ACDBE's certification, together with all documentation required by the City to process that request, must be received by the City at least 60 days in advance of the proposed date to perform such additional work or supply such additional goods, materials or services.

B. RECORDKEEPING

The Tenant must maintain records of all relevant data with respect to the utilization of ACDBEs, retaining these records for a period of at least three years after termination or expiration of the Agreement. Tenant grants full access to these records to the City of Chicago, Federal or State authorities, the U.S. Department of Justice, or their duly authorized representatives.

C. REPORTING

Tenant must file ACDBE utilization reports (monthly if non-rental car and quarterly if rental car), together with its concession license fee payment, delineating for the month or quarter, as applicable, and cumulatively for the year-to-date: (i) contribution by ACDBE joint venture member(s) or sublicensee(s) to Tenant's gross receipts and (ii) payments to ACDBE subcontractor(s). Each ACDBE utilization report must be signed by an authorized officer or representative of the Tenant and be notarized.

D. MONITORING

The City will, from time to time during the term of the Agreement, conduct investigations and interviews to monitor and verify that ACDBE participation in the concession meets or exceeds the ACDBE Commitment. Tenant must give, upon request, earnest and prompt cooperation to the City in submitting to inspections and interviews, in allowing entry to places of business, in providing further documentation, and in requiring the cooperation of its ACDBEs.

If the City determines that an ACDBE's actual role or responsibilities do not comply with the representations made by Tenant and the ACDBE in Schedules B, C or D, or that Tenant and/or ACDBE have misrepresented to the City either the payments to the ACDBE or the value of the ACDBE's participation in a joint venture, it shall be an event of default under the Agreement.

VI. GOOD FAITH EFFORTS

A. EXAMPLES

Examples of "good faith efforts" are described below and in 49 CFR § 23.25, 49 CFR §26.53, and Appendix A to 49 CFR Part 26. As provided in § 23.25, §26.53 and Appendix A to 49 C.F.R. Part 26, the following are examples of documented actions that the City may take into consideration in determining whether Tenant made good faith efforts:

1. Soliciting through all reasonable and available means (e.g., advertising and/or written notices) the interest of all certified ACDBEs who have the capability to perform work or services or to supply goods relevant to the concession. Tenant must solicit this interest within sufficient time to allow the ACDBEs to respond to the solicitation. Tenant must determine with certainty if the ACDBEs are interested by taking appropriate steps to follow up initial solicitations.

2. Soliciting the work, services or goods in portions that increase the likelihood that an ACDBE can perform the work or services or provide the goods. This includes,

when appropriate, breaking out contract items into economically feasible units to facilitate ACDBE participation, even when the concessionaire might otherwise prefer to perform these work items with its own forces.

3. Providing interested ACDBEs with adequate information about the operations, management and requirements of the concession in a timely manner to assist them in responding to a solicitation.

4. Negotiating in good faith with interested ACDBEs. Evidence of such negotiation includes the names, addresses and telephone numbers of ACDBEs that were considered; a description of the information provided regarding the opportunities selected for possible ACDBE participation; and evidence as to why agreement could not be reached for ACDBEs to perform the work.

> NOTE: A concessionaire using good business judgment would consider a number of factors in negotiating with potential business partners or subcontractors, including ACDBEs, and would take a firm's price and capabilities as well as contract goals into consideration. However, the fact that there may be some additional costs involved in finding and using ACDBEs is not in itself sufficient reason for a failure to meet the ACDBE Commitment, as long as such costs are reasonable. Concessionaires are not, however, required to accept higher quotes from ACDBEs if the price difference in comparison to non-ACDBEs is excessive or unreasonable.

5. Not rejecting ACDBEs as being unqualified without sound reasons based on a thorough investigation of their capabilities. The ACDBE's standing within its industry, membership in specific groups, organization or associations and political or social affiliation (for example union vs. non-union employee status) are not legitimate causes for rejection.

6. Making efforts to assist interested ACDBEs in obtaining bonding, lines of credit or insurance as required by the City or Tenant.

7. Making efforts to assist interested ACDBEs in obtaining necessary equipment, supplies, materials, or related assistance or services.

8. Effectively using the services of available minority/women community organizations and contractors' groups; local, state and federal minority/women business assistance offices; and other organizations as allowed on a case-by-case basis to provide assistance in the recruitment and placement of ACDBEs.

B. DOCUMENTATION

Whenever Tenant is required to demonstrate good faith efforts by Part 23 or these Special Conditions, Tenant must provide supporting

documentation to the satisfaction of the Commissioner. This means documentation to show that Tenant took all necessary and reasonable steps which by their scope, intensity and appropriateness to the objective, could reasonably be expected to obtain compliance, even if not fully successful. The following types of documentation, as applicable to the situation, will be considered by the City in determining whether Tenant has made good faith efforts:

1. A listing of all ACDBE firms that were contacted that includes:

a. names, address and telephone numbers of ACDBE firms contacted;

b. date and time of contact;

c. method of contact (written, telephone, transmittal of facsimile documents, etc.);

d. name of the person contacted.

2. Copies of letters or any other evidence of mailing that substantiates outreach to

ACDBE vendors that include:

a. concession identification and location;

b. descriptions/classification/commodity of work, services or goods for which quotations were sought; and

c. date, time and location for submittal of bids or proposals.

3. Detailed statement which summarizes direct negotiations with appropriate ACDBE firms and indicates why negotiations were unsuccessful.

4. Affirmation that good faith efforts have been demonstrated by choosing opportunities likely to be performed by ACDBEs by not imposing any limiting conditions which were not mandatory for all potential bidders\proposers; or denying the benefits ordinarily conferred for the type of opportunity that was solicited.

5. Copies of proposed portions of the work, services or goods to be performed or provided by ACDBEs in order to increase the likelihood of ACDBE participation.

6. Evidence that Tenant negotiated in good faith with interested ACDBEs.

7. Evidence that Tenant did not reject ACDBEs as being unqualified without sound reasons based on a thorough investigation of their capabilities.

8. Evidence that Tenant made efforts to assist interested ACDBEs in obtaining bonding, lines of credit or insurance, as required by the City or the concessionaire.

9. Evidence that Tenant made efforts to assist interested ACDBEs in obtaining necessary equipment, supplies, materials or related assistance or services.

10. Evidence that Tenant has provided timely notice of the opportunity to at least 50 percent of the applicable ACDBEs listed in the Illinois UCP Directory. The City may contact the ACDBEs identified by Tenant for verification of such notification.

11. Evidence that ACDBE participation is excessively costly. ACDBE participation will be deemed excessively costly when the ACDBE bid or proposal exceeds the average price quoted by others by more than 15 percent. In order to establish that a ACDBE's quote is excessively costly, Tenant must provide the following information:

a. A detailed statement of the opportunity identified for ACDBE participation for which Tenant asserts the ACDBE quote(s) were excessively costly (in excess of 15 percent higher).

b. A listing of all potential business partners or subcontractors contacted for a quotation on that opportunity.

c. Prices quoted by all such potential business partners or subcontractors for that opportunity.

d. Other documentation that demonstrates to the satisfaction of the City that the ACDBE quotes are excessively costly, even though not in excess of 15 percent higher than the average price quoted.

C. ADMINISTRATIVE RECONSIDERATION

1. For the purposes of this Agreement, the City has delegated the responsibility for making the determination regarding a Tenant's good faith efforts to the Department of Aviation. The determination shall be based upon the Department's review of the documentation that the Tenant has timely submitted. Within five days of being informed by the Department that Tenant has not documented sufficient good faith efforts, Tenant may request administrative reconsideration. The request must be made in writing to the following official:

Department of Aviation
10510 West Zemke Road
Chicago, Illinois 60666
Attention: Commissioner

NOTE: The Commissioner may not have played any role in the original determination that the Tenant did not make or timely document sufficient good faith efforts. The Commissioner may appoint a reconsideration officer, who did not play any role in the original determination, to act in his or her stead.

with copies to:

Department of Procurement Services
City Hall, Room 403
121 N. LaSalle Street
Chicago, Illinois 60602
Attention: Chief Procurement Officer

Department of Aviation
10510 West Zemke Road
Chicago, Illinois 60666
Attention: Deputy Commissioner for Concessions

Department of Law
30 North LaSalle Street, Room 900
Chicago, Illinois 60602
Attention: Deputy Corporation Counsel, Aviation

2. As part of this reconsideration, the Tenant will have the opportunity to provide written documentation or argument concerning the issue of whether it made adequate good faith efforts. The Tenant will have the opportunity to meet in person with the reconsideration officer to

discuss whether it did so. The Department will send the Tenant a written decision on reconsideration, explaining the basis for finding that the Tenant did or did not make adequate good faith efforts.

VII. NON-COMPLIANCE AND DAMAGES

A. NON-COMPLIANCE GENERALLY

Tenant's failure to comply with these Special Conditions constitutes a material breach of the Agreement and entitles the City to declare an event of default. If Tenant fails to cure the default within the time allowed under the default provisions of the Agreement, the City may exercise those remedies provided for in the Agreement, at law or in equity, including termination of the Agreement. In addition to any remedies specified in the Agreement, at the City's option the term of this Agreement will become month-to-month until the City locates a new Tenant. At the City's option, any improvements added by Tenant must remain for the new tenant at no cost to the City or the new tenant.

B. NON-COMPLIANCE WITH ACDBE AGREEMENT

If Tenant has not complied with the requirements of an ACDBE agreement, the affected ACDBE may seek to recover from Tenant damages suffered by the ACDBEs as a result of such non-compliance. Such disputes may impact the quality of concessions at the City's airports and/or the ability of other airport tenants to solicit ACDBE participation. Therefore, Tenant consents to have any disputes between Tenant and affected ACDBEs resolved by binding arbitration before an independent arbitrator other than the City, with reasonable expenses, including attorneys' fees, being recoverable by the prevailing party in accordance with any applicable regulations. This provision is intended for the benefit of all

ACDBEs affected by Tenant's failure to comply with ACDBE agreements and grants ACDBEs specific third party beneficiary rights. In cases deemed appropriate by the City, a dispute may lead to the withholding of sums that the City may owe Tenant until the City receives a copy of the final arbitration decision, but in no event will Tenant be excused from making any payments due to the City during the pendency of a dispute. Noncompliance or non-cooperation with the City may affect continued eligibility to enter into future contracting arrangements with the City.

SCHEDULE E

ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

HYDE PARK HOSPITALITY LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant

OR

2. [ ] a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: _____

OR

3. [ ] a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1)) State the legal name of the entity in which the Disclosing Party holds a right of control:

_____

B. Business address of the Disclosing Party: 17 N. LOOMIS, STE 1A
CHICAGO, IL 60607

C. Telephone: 312/433-0300 Fax: 312/433-0302 Email: MARC@HYDEPARKHOSPITALITY.COM

D. Name of contact person: MARC BROOKS

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

FOOD & BEVERAGE MANAGER ON PROPOSED HILTON HOTEL MANAGEMENT CONTRACT AT O'HARE

G. Which City agency or department is requesting this EDS? CHICAGO DEPARTMENT OF AVIATION

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

DELAWARE

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
MARC BROOKS	PRESIDENT & CEO

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
MARC BROOKS	17 N. LOOMIS #1A CHGO, IL 60607	

SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? [X] Yes [ ] No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? [ ] Yes [X] No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

JULY 2017 - FRIENDS OF LESLIE HAIRSTON - $500 / ANNUAL FUNDRAISER ;
DEC 2017 - FRIENDS OF RODERICK SAWYER - $1000 / ANNUAL FUNDRAISER ; FEB 2018 - FRIENDS OF JESSE RUIZ - $500 CAMPAIGN CONTRIBUTION

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?

[ ] Yes [X] No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
RETAINED - RILEY SAFER HOLMES & CANCILA	70 W. MADISON, CHGO, IL 60602	ATTORNEY	ESTIMATED $20,000

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under MCC Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

3. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II(B)(1) of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;

d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:
   - the Disclosing Party;
   - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
   - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
   - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).

6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.

8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.

9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").

10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)
   [ ] is [X] is not

   a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

NONE

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?
[X] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[X] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No [X] Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[X] Yes [ ] No

If you checked "No" to question (1) or (2) above, please provide an explanation:

_____

_____

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS, and Appendices A and B (if applicable), on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS, and Appendices A and B (if applicable), are true, accurate and complete as of the date furnished to the City.

HYDE PARK HOSPITALITY LLC
(Print or type exact legal name of Disclosing Party)

By: _____
(Sign here)

MARC B. BROOKS
(Print or type name of person signing)

PRESIDENT & CEO
(Print or type title of person signing)

Signed and sworn to before me on (date) August 1st, 2018,

at Cook County, IL (state).

_____
Notary Public

JULIE AMARO
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
October 02, 2021

Commission expires: October 02, 2021

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5% ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [X] No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [ ] No [X] The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Hilton Management LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: _____
   OR
3. [ ] a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1)) State the legal name of the entity in which the Disclosing Party holds a right of control:

_____

B. Business address of the Disclosing Party: 7930 Jones Branch Drive
McLean VA 22102

C. Telephone: 703-883-5732 Fax: 703-883-6188 Email: gregory.rochette@hilton.com

D. Name of contact person: Gregory Rochett, VP of Corporate Hotel Development

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

RFP for Branded Hotel Operator Management Services at Chicago O'Hare International Airport Hotels

G. Which City agency or department is requesting this EDS? Department of Aviation

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[✓] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[✓] Yes [ ] No [ ] Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Joseph Berger	President
W. Steven Standefer	Senior Vice President
Keith Clampet	Vice President, Asst. Treasurer & Asst. Secretary

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
Hilton Domestic Operating Company Inc.	(same address)	100%
Hilton Worldwide Finance LLC	(same address)	100%
Hilton Worldwide Parent LLC	(same address)	100%
Hilton Worldwide Holdings Inc.	(same address)	100% (public company)

SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? [ ] Yes [✓] No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? [ ] Yes [✓] No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?

[ ] Yes [✓] No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
See attached.			

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under MCC Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [✓] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

3. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II(B)(1) of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;

d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:
   - the Disclosing Party;
   - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
   - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
   - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).

6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.

8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.

9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").

10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

Olivia Jordan
Richard L. Thomas

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)
[ ] is [✓] is not

a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

✓ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

Michael Kasper

Timothy Dart

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?
[✓] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[✓] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[✓] Yes [ ] No [ ] Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [✓] No

If you checked "No" to question (1) or (2) above, please provide an explanation:

_____

_____

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS, and Appendices A and B (if applicable), on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS, and Appendices A and B (if applicable), are true, accurate and complete as of the date furnished to the City.

Hilton Management LLC
(Print or type exact legal name of Disclosing Party)

By: _____
(Sign here)

W. Steven Standefer
(Print or type name of person signing)

Senior Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) August 16, 2018.

at Fairfax County, Virginia (state).

Karley S. Watt
Notary Public

Commission expires: 4/30/19

KARLEY SARAH WATT
NOTARY PUBLIC
REG # 7640695
MY COMMISSION EXPIRES 4/30/2019
COMMONWEALTH OF VIRGINIA

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5% ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [✓] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [✓] No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [ ] No [✓] The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

Disclosure of Subcontractors and Other Retained Parties

Retained by or on behalf of the Applicants (EDS Section IV)

Name	Retained/ Anticipated	Business Address	Relationship	Estimated Fees
Fletcher, O'Brien, Kasper & Nottage, P.C. (Michael Kasper)	retained	222 North LaSalle Street Suite 300, Chicago, IL 60601-1013	lobbyist	$40,000
Timothy Dart	retained	980 North Michigan Avenue Suite 1900 Chicago, IL 60611	lobbyist	$40,000
Pastorelle Marketing Group Inc.	retained	(630) 670-1629 t.pastorelle@gmail.com	consultant	$20,000
Taft Stettinius & Hollister LLP	retained	111 E. Wacker Drive Suite 2800 Chicago, IL 60601-3713	attorney	$10,000
Perkins Coie LLP	retained	131 South Dearborn Street Suite 1700 Chicago, IL 60603-5559	attorney	$10,000
Franczek Radelet P.C.	retained	300 S. Wacker Drive Suite 3400 Chicago, IL 60606	attorney	$10,000
Dentons	retained	Willis Tower 233 S. Wacker Drive Suite 7800 Chicago, IL 60606	Attorney	$10,000

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Hilton Domestic Operating Company Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [✓] a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: Hilton Management LLC
   OR
3. [ ] a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1)) State the legal name of the entity in which the Disclosing Party holds a right of control:

B. Business address of the Disclosing Party: 7930 Jones Branch Drive
McLean VA 22102

C. Telephone: 703-883-1000 Fax: 703-883-1186 Email: gregory.rackett@hilton.com

D. Name of contact person: Gregory Rackett, VP of Corporate Hotel Development

E. Federal Employer Identification No. (if you have one):

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

RFP for Branded Hotel Operator Management Services at Chicago O'Hare International Airport Hotels

G. Which City agency or department is requesting this EDS? Department of Aviation

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[✓] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[✓] Yes [ ] No [ ] Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached list.	

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
Hilton Worldwide Finance LLC	(Same address)	100%
Hilton Worldwide Parent LLC	(Same address)	100%
Hilton Worldwide Holdings Inc.	(Same address)	100%

SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? [ ] Yes [✓] No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? [ ] Yes [✓] No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?

[ ] Yes [✓] No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
See attached			

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under MCC Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [✓] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

3. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II(B)(1) of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;

d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:
   - the Disclosing Party;
   - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
   - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
   - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).

6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.

8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.

9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").

10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)
   [ ] is [✓] is not

   a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

✓ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

Michael Kasper
Timothy Dart

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?
[ ] Yes [✓] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No [ ] Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question (1) or (2) above, please provide an explanation:

_____

_____

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS, and Appendices A and B (if applicable), on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS, and Appendices A and B (if applicable), are true, accurate and complete as of the date furnished to the City.

Hilton Domestic Operating Company Inc.
(Print or type exact legal name of Disclosing Party)

By: _____
(Sign here)

W. Steven Standefer
(Print or type name of person signing)

Senior Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) August 16, 2018,

at Fairfax County, Virginia (state).

Karley S. Watt
Notary Public

Commission expires: 4/30/19

KARLEY SARAH WATT
NOTARY PUBLIC
REG # 7640685
MY COMMISSION EXPIRES
4/30/2019
COMMONWEALTH OF VIRGINIA

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5% ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [✓] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [✓] No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [ ] No [✓] The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

Directors
W. Steven Standefer
Michael Duffy

Officers
Kevin Jacobs, President and CFO
Kristin Campbell, EVP, Secretary and General Counsel
W. Steven Standefer, Senior Vice President
Joseph Berger, Senior Vice President
Keith Clampet, Senior Vice President
Frederick Schacknies, Senior Vice President and Treasurer
Margo Holt, Vice President
Alexandra Neely, Asst. Treasurer
Justin Hensley, Asst. Treasurer
Abigail Hotchkin, Asst. Secretary
Owen Wilcox, Asst. Secretary
James Smith, Asst. Secretary

Disclosure of Subcontractors and Other Retained Parties

Retained by or on behalf of the Applicants (EDS Section IV)

Name	Retained/ Anticipated	Business Address	Relationship	Estimated Fees
Fletcher, O'Brien, Kasper & Nottage, P.C. (Michael Kasper)	retained	222 North LaSalle Street Suite 300, Chicago, IL 60601-1013	lobbyist	$40,000
Timothy Dart	retained	980 North Michigan Avenue Suite 1900 Chicago, IL 60611	lobbyist	$40,000
Pastorelle Marketing Group Inc.	retained	(630) 670-1629 t.pastorelle@gmail.com	consultant	$20,000
Taft Stettinius & Hollister LLP	retained	111 E. Wacker Drive Suite 2800 Chicago, IL 60601-3713	attorney	$10,000
Perkins Coie LLP	retained	131 South Dearborn Street Suite 1700 Chicago, IL 60603-5559	attorney	$10,000
Franczek Radelet P.C.	retained	300 S. Wacker Drive Suite 3400 Chicago, IL 60606	attorney	$10,000
Dentons	retained	Willis Tower 233 S. Wacker Drive Suite 7800 Chicago, IL 60606	Attorney	$10,000

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I – GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Hilton Worldwide Finance LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant

OR

2. [✓] a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: Hilton Management LLC

OR

3. [ ] a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1)) State the legal name of the entity in which the Disclosing Party holds a right of control:

B. Business address of the Disclosing Party: 7930 Jones Branch Drive
McLean VA 22102

C. Telephone: 703-883-1000 Fax: 703-883-1186 Email: gregory.rockett@hilton.com

D. Name of contact person: Gregory Rockett, VP of Corporate Hotel Development

E. Federal Employer Identification No. (if you have one):

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

RFP for Branded Hotel Operator Management Services at Chicago O'Hare International Airport Hotels

G. Which City agency or department is requesting this EDS? Department of Aviation

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[✓] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [✓] No [ ] Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached list	

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
Hilton Worldwide Parent LLC	(Same address)	100%
Hilton Worldwide Holdings Inc.	(Same address)	100%

SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? [ ] Yes [X] No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? [ ] Yes [X] No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?

[ ] Yes [X] No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
See attached			

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under MCC Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [✓] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

3. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II(B)(1) of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;

d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:
   - the Disclosing Party;
   - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
   - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
   - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).

6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.

8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.

9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").

10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)
[ ] is [✓] is not

a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

✓ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

Michael Kasper

Timothy Dart

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?
[ ] Yes [✓] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No [ ] Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question (1) or (2) above, please provide an explanation:

_____

_____

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS, and Appendices A and B (if applicable), on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS, and Appendices A and B (if applicable), are true, accurate and complete as of the date furnished to the City.

Hilton Worldwide Finance LLC
(Print or type exact legal name of Disclosing Party)

By: _____
(Sign here)

W. Steven Standefer
(Print or type name of person signing)

Senior Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) August 16, 2018,

at Fairfax County, Virginia (state).

Karley S. Watt
Notary Public

Commission expires: 4/30/19

KARLEY SARAH WATT
NOTARY PUBLIC
REG # 7640685
MY COMMISSION EXPIRES
4/30/2019
COMMONWEALTH OF VIRGINIA

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5% ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [✓] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [✓] No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [ ] No [✓] The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

Directors
Michael W. Duffy
Frederick Schacknies
W. Steven Standefer

Officers
Kevin Jacobs, President and CFO
Kristin Campbell, Executive Vice President, Secretary and General Counsel
W. Steven Standefer, Senior Vice President
Joseph Berger, Senior Vice President
Keith Clampet, Senior Vice President
Frederick Schacknies, Senior Vice President and Treasurer
Margo Holt, Vice President
Alexandra Neely, Assistant Treasurer
Justin Hensely, Assistant Treasurer
Owen Wilcox, Assistant Secretary
Abigail Hotchkin, Assistant Secretary
James O. Smith, Assistant Secretary

Disclosure of Subcontractors and Other Retained Parties

Retained by or on behalf of the Applicants (EDS Section IV)

Name	Retained/ Anticipated	Business Address	Relationship	Estimated Fees
Fletcher, O'Brien, Kasper & Nottage, P.C. (Michael Kasper)	retained	222 North LaSalle Street Suite 300, Chicago, IL 60601-1013	lobbyist	$40,000
Timothy Dart	retained	980 North Michigan Avenue Suite 1900 Chicago, IL 60611	lobbyist	$40,000
Pastorelle Marketing Group Inc.	retained	(630) 670-1629 t.pastorelle@gmail.com	consultant	$20,000
Taft Stettinius & Hollister LLP	retained	111 E. Wacker Drive Suite 2800 Chicago, IL 60601-3713	attorney	$10,000
Perkins Coie LLP	retained	131 South Dearborn Street Suite 1700 Chicago, IL 60603-5559	attorney	$10,000
Franczek Radelet P.C.	retained	300 S. Wacker Drive Suite 3400 Chicago, IL 60606	attorney	$10,000
Dentons	retained	Willis Tower 233 S. Wacker Drive Suite 7800 Chicago, IL 60606	Attorney	$10,000

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Hilton Worldwide Parent LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [✓] a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: Hilton Management LLC
   OR
3. [ ] a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1)) State the legal name of the entity in which the Disclosing Party holds a right of control:

B. Business address of the Disclosing Party: 7930 Jones Branch Drive
McLean VA 22102

C. Telephone: 703-883-1000 Fax: 703-883-1186 Email: gregory.rockett@hilton.com

D. Name of contact person: Gregory Rockett, VP of Corporate Hotel Development

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

RFP for Branded Hotel Operator Management Services at Chicago O'Hare International Airport Hotels

G. Which City agency or department is requesting this EDS? Department of Aviation

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[✓] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [✓] No [ ] Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached	

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
Hilton Worldwide Holdings Inc.	(Same address)	100%

SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? [ ] Yes [✓] No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? [ ] Yes [✓] No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?

[ ] Yes [✓] No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
See attached			

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under MCC Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [✓] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

3. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II(B)(1) of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;

d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:
   - the Disclosing Party;
   - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
   - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
   - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).

6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.

8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.

9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").

10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)
[ ] is [✓] is not

a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

✓ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

Michael Kasper

Timothy Dart

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?
[ ] Yes [✓] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No [ ] Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question (1) or (2) above, please provide an explanation:

_____

_____

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS, and Appendices A and B (if applicable), on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS, and Appendices A and B (if applicable), are true, accurate and complete as of the date furnished to the City.

Hilton Worldwide Parent LLC
(Print or type exact legal name of Disclosing Party)

By: _____
(Sign here)

W. Steven Standefer
(Print or type name of person signing)

Senior Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) August 16, 2018,

at Fairfax County, Virginia (state).

Karley S. Watt
Notary Public

Commission expires: 4/30/19

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS
AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5% ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [✓] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [✓] No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [ ] No [✓] The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

Officers:
Kevin J. Jacobs, President and CFO
Kristin Campbell, Executive Vice President, General Counsel, and Secretary
W. Steven Standefer, Senior Vice President
Joseph Berger, Senior Vice President
Keith Clampet, Senior Vice President
Frederick Schacknies, Senior Vice President and Treasurer
Margo Holt, Vice President
Alexandra Neely, Assistant Treasurer
Justin Hensley, Assistant Treasurer
Owen Wilcox, Assistant Secretary
Abigail Hotchkin, Assistant Secretary
James O. Smith, Assistant Secretary

Disclosure of Subcontractors and Other Retained Parties

Retained by or on behalf of the Applicants (EDS Section IV)

Name	Retained/ Anticipated	Business Address	Relationship	Estimated Fees
Fletcher, O'Brien, Kasper & Nottage, P.C. (Michael Kasper)	retained	222 North LaSalle Street Suite 300, Chicago, IL 60601-1013	lobbyist	$40,000
Timothy Dart	retained	980 North Michigan Avenue Suite 1900 Chicago, IL 60611	lobbyist	$40,000
Pastorelle Marketing Group Inc.	retained	(630) 670-1629 t.pastorelle@gmail.com	consultant	$20,000
Taft Stettinius & Hollister LLP	retained	111 E. Wacker Drive Suite 2800 Chicago, IL 60601-3713	attorney	$10,000
Perkins Coie LLP	retained	131 South Dearborn Street Suite 1700 Chicago, IL 60603-5559	attorney	$10,000
Franczek Radelet P.C.	retained	300 S. Wacker Drive Suite 3400 Chicago, IL 60606	attorney	$10,000
Dentons	retained	Willis Tower 233 S. Wacker Drive Suite 7800 Chicago, IL 60606	Attorney	$10,000

The entity listed below has submitted associated documentation with its Economic Disclosure Statement in regard to this ordinance. This information is on file and available for public inspection in the Office of the City Clerk:

HILTON WORLDWIDE HOLDINGS, INC.

a Form 10-K filed with the

U.S. Securities and Exchange Commission

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

HYDE PARK HOSPITALITY LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant

OR

2. [ ] a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: _____

OR

3. [ ] a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1)) State the legal name of the entity in which the Disclosing Party holds a right of control:

_____

B. Business address of the Disclosing Party: 17 N. LOOMIS, STE 1A
CHICAGO, IL 60607

C. Telephone: 312/433-0300 Fax: 312/433-0302 Email: MARC@HYDEPARKHOSPITALITY.COM

D. Name of contact person: MARC BROOKS

E. Federal Employer Identification No. (if you have one): [redacted]

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

FOOD & BEVERAGE MANAGER ON PROPOSED HILTON HOTEL MANAGEMENT CONTRACT AT O'HARE

G. Which City agency or department is requesting this EDS? CHICAGO DEPARTMENT OF AVIATION

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

DELAWARE

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
MARC BROOKS	PRESIDENT & CEO

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
MARC BROOKS	17 N. Loomis #1A CHGO, IL 60607	

SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? [X] Yes [ ] No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? [ ] Yes [X] No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

JULY 2017 - FRIENDS OF LESLIE HAIRSTON - $500 / ANNUAL FUNDRAISER ;
DEC 2017 - FRIENDS OF RODERICK SAWYER - $1000 / ANNUAL FUNDRAISER ; FEB 2018 - FRIENDS OF JESSE RUIZ - $500 CAMPAIGN CONTRIBUTION

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?

[ ] Yes [X] No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
RETAINED - RILEY SAFER HOLMES & CANCILA	70 W. MADISON, CHGO, IL 60602	ATTORNEY	ESTIMATED $30,000

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under MCC Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

3. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II(B)(1) of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;

d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:
   - the Disclosing Party;
   - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
   - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
   - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).

6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.

8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.

9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").

10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)
[ ] is [X] is not

a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

NONE

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?
[X] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[X] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No [X] Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[X] Yes [ ] No

If you checked "No" to question (1) or (2) above, please provide an explanation:

_____

_____

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS, and Appendices A and B (if applicable), on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS, and Appendices A and B (if applicable), are true, accurate and complete as of the date furnished to the City.

HYDE PARK HOSPITALITY LLC
(Print or type exact legal name of Disclosing Party)

By: _____
(Sign here)

MARC B. BROOKS
(Print or type name of person signing)

PRESIDENT & CEO
(Print or type title of person signing)

Signed and sworn to before me on (date) August 1st, 2018,

at Cook County, IL (state).

_____
Notary Public

JULIE AMARO
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
October 02, 2021

Commission expires: October 02, 2021

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5% ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [X] No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [ ] No [X] The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.