

Via-email: [REDACTED]

October 9, 2018

[REDACTED]
General Director
Grand Hotel Maastricht

Re: LHW Membership, Grand Hotel Maastricht, The Netherlands

Dear [REDACTED]

Thank you for your interest in joining The Leading Hotels of the World®. I am delighted to know that we have the possibility of working together.

With twenty-five sales offices and twelve call centers around the world, The Leading Hotels of the World, Ltd. ("LHW") is committed to establishing a strong presence in both mature and emerging markets for your hotel creating a powerful network effect.

Below is our proposal for Grand Hotel Maastricht's membership to join The Leading Hotels of the World in 2019. Provided that the hotel passes a preliminary inspection and is approved by the Executive Committee, we will offer you a membership agreement for your hotel for an initial term of five (5) years.

Membership Requirements:

- Hotel must be represented solely under the "LW" GDS code.
- Hotel must have a two-way interface between the hotel's property management system and the central reservation system (CRS) of LHW. A list of the property management systems that support a two-way interface are included as an addendum on this proposal.
- Hotel must utilize the LHW booking engine referred to as "Leading Link". Leading Link will be provided on a complimentary basis and is customizable.
- Hotel must utilize LHW's online corporate guest satisfaction survey program ("GSS"), which is managed by an independent provider (currently Medallia). Each guest will receive a satisfaction survey upon departure. The real-time survey results will provide the hotel, in addition to other specific scores, with an overall GSS score and is another tool that will help the hotel measure its quality performance. The annual fee for hotels on full GSS is \$1,500 and will increase by 5% annually.
- Hotel must participate in LHW's signature customer loyalty program known as the Leaders Club ("LC") and provide designated LC benefits to all LC members. Hotel is required to provide at no cost three (3) LC Access memberships per room during each year of the term to eligible individuals ("Hotel LC Members"). You will not be charged for these LC memberships. However, if the hotel does not meet the designated quota, a shortfall fee will be applied at the end of the contract year. This fee will equal the shortfall number multiplied by the cost of the LC Access Membership which is currently \$150.
- Hotel must make available to LHW on a complimentary basis one (1) room night for every twenty (20) room nights at the Hotel that have been paid for by LC members. Please note we have currently relaunched our loyalty program which incorporates changes to this requirement. Additional details will be shared shortly.

Gemeente Maastricht
Veiligheid en Leefbaarheid

Ontvangen op : 11-10-2018

Zaaknummer : 18-1639WB

Behoort bij besluit van B&W
d.d. 31-10-2019

485 LEXINGTON AVENUE, SUITE 401, NEW YORK, NY 10017
HZHANG@LHW.COM

Behoort bij ontwerpbesluit van B&W
d.d. 02-05-2019





THE LEADING HOTELS
OF THE WORLD®

- Hotel must utilize TrustCom as its travel agency commission payment platform to ensure accurate and on-time payment to travel agents around the world for, at a minimum, all reservations booked through any channel of LHW.

Membership Fees:

- **Quality**

The fee for the preliminary Leading Quality Assurance ("LQA") inspection of the hotel is UK Sterling £2,765 which excludes economy airfare and incidental travel expenses, which shall be reimbursable by the hotel. **LHW will waive the LQA fee and a member of the LHW executive team will conduct the initial hard hat inspection. The hotel is responsible for economy airfare and incidental travel expenses. Furthermore, during the inspection, you must provide lodging, meals and related hotel services.**

Each hotel member of The Leading Hotels of the World is expected to maintain the standards observed by hotels considered to be of "the highest deluxe quality". During the membership term, the hotel will be inspected by LQA every twelve (12) months and will be given an inspection score based on the hotel's compliance with the inspection standards ("Inspection Score"). The fee for the first annual inspection will be UK Sterling £3,375, which includes airfare, but does not include incidental travel expenses, which shall be reimbursable by the hotel. Thereafter, the annual inspection fee shall increase each year by four percent (4%).

- **Implementation Fee**

A one-time Implementation Fee in the amount of US \$50,000 will be payable upon the execution of the membership agreement.

The Implementation Fee will be broadly allocated to two main categories:

- Setting up global distribution and technology platforms such as your hotel's central reservation system, booking engine, and GSS application.
- Launching your hotel as a new member of The Leading Hotels of the World. The marketing channel for the launch will be determined based on the hotel's destination, business needs, and target audience. The objective of the investment will be to create impactful global awareness and recognition of your hotel by the right customers.

- **Annual Membership Fees**

Membership Fees will be payable annually and will be based on the schedule below. The fee per room component of the Membership Fees for the first year will be due upon the execution of the membership agreement.

The Membership Fees will be calculated as follows:

Year	Annual Fees
2019	\$837 per room + 3% of room revenue for reservations processed through any booking channel of LHW ("LHW revenue")
2020	\$871 per room + 3% of LHW revenue
2021	\$906 per room + 3% of LHW revenue
2022	Same as 2021 (1)
2023	Same as 2021 (1)

W



THE LEADING HOTELS
OF THE WORLD®

- (1) Annual Membership Fees shall be increased or decreased during each year of the term by an amount equal to one-half (1/2) of the percentage increase or decrease in rooms revenue received by the hotel from reservations booked through any channel of LHW as compared to 2021. Such increase or decrease shall be determined at the end of each year of the term and such amount shall be reflected as a credit or debit on the hotel's account.

- **Advance**

An advance shall be paid during the first three (3) years of the term with the payment of the Membership Fees. The first advance must be paid upon execution of the membership agreement. The advance shall earn interest at LIBOR and will be refunded at the termination of the membership agreement. The amount of the advance will be based on the number of rooms. The advance shall be calculated as follows:

Year	Advance Amount per Room
2019	\$25
2020	\$50
2021	\$75

Credits

- **Leaders Club Room Revenue Credit**

You shall receive an annual credit at the end of each year of the hotel's membership term equal to one percent (1%) of the total room revenue received by all hotels which are members of The Leading Hotels of the World ("LHW Hotels") during such year of the term which resulted from reservations made through any channel of LHW by Hotel LC Members. Room revenue shall only be counted for purposes of this calculation for so long as the Hotel LC Member remains an LC Member.

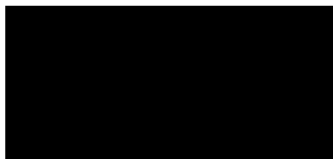
- **Quality Score Credit**

You shall receive an annual Quality Score that will be determined by taking the average of the GSS score and the Inspection Score. If the hotel's Quality Score is in the top ten percent (10%) of the Quality Scores for all LHW Hotels as determined for such period, you shall receive a credit equal to five percent (5%) of the Membership Fee for such period. If the Hotel's Quality Score is in the top twelve percent (12%) of the Quality Scores for all LHW Hotels for such period, you shall receive a credit equal to two and one half percent (2.5%) of the Membership Fee for such period.

If you would like us to proceed with your membership application, please indicate your agreement to the terms contained herein by signing a copy of this proposal and returning it to [REDACTED] Membership Development, at [REDACTED].

Please feel free to contact me if you have any questions.

Sincerely,

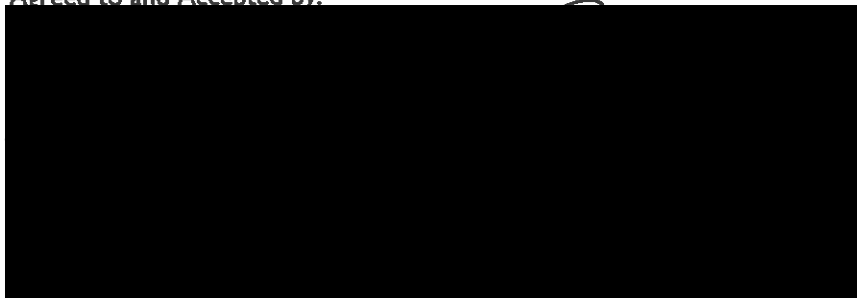


Vice President, Membership



THE LEADING HOTELS
OF THE WORLD®

Agreed to and Accepted by:



Date

11 - 10 - 2018



THE LEADING HOTELS
OF THE WORLD

Property Management Systems with two-way interface capability (as of April 2018)		Sabre SynXis		
Company	Product	SynXis CR	Type	Res Sync
	AutoClerk HTNG	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>
Infor Softbrands	Epitome	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>
	HMS	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>
iTesso	Amadeus Cloud PMS	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>
	Amadeus IDPMS	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>
Oracle (Micros)	Opera V9 OXI v.5	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>
	OperaExpress OXI v.5	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>
	OperaLite OXI v.5	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>
	Opera OXI v.2	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>
	OperaPMS OXI v.5	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>
Sabre Hospitality	SynXis PM	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>
SkyTouch Technology	SkyTouch OS	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>
Sperling Consultoria	Monolith PMS	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>
Springer-Miller	HOST	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>
	ATRIO	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>
StayNTouch	Rover	<input type="checkbox"/>	2-WAY ENH	<input type="checkbox"/>