

INSURANCE CHECKLIST – INTERNATIONAL FRANCHISE HOTELS

INSURANCE REQUIRED DURING OPERATIONS - CANOPY, HILTON, DOUBLE TREE,
EMBASSY SUITES, HILTON GRAND VACATIONS, MOTTO, TAPESTRY, TEMPO,
CONRAD, CURIO, LXR, SIGNIA, WALDORF ASTORIA, GRADUATE, NOMAD

REQUIREMENTS

COMPLIANT

	COMPLIANT		
	Yes	No	N/A
PUBLIC LIABILITY			
<ul style="list-style-type: none"> ▪ Hotel must participate in Hilton Worldwide’s Global Program 	X		
AUTO/MOTOR LIABILITY			
<ul style="list-style-type: none"> ▪ Liability insurance in compliance with local law/regulations ▪ Limit – as required by local law subject to a USD \$25,000 minimum 			
OCCUPATIONAL INJURY SCHEME			
<ul style="list-style-type: none"> ▪ Occupational Injury Scheme in compliance with local law/regulations ▪ Employers Liability insurance ▪ USD \$1,000,000 per occurrence or such limits as required by local law or custom 			
COMMERCIAL PROPERTY			
<ul style="list-style-type: none"> ▪ Building insured at 100% replacement cost ▪ Contents insured at 100% replacement cost ▪ Special/All Risks insurance form ▪ Windstorm insurance included ▪ Building ordinance insurance included ▪ Flood insurance included ▪ Earthquake insurance included ▪ Terrorism insurance included 			
BUSINESS INTERRUPTION			
<ul style="list-style-type: none"> ▪ Business income limit adequate to cover full recovery of the net profits and continuing expenses of the Hotel (including rental income) for a 12 month period ▪ Continuing expenses specifically include license fees and/or other fees payable to Brand ▪ Terrorism insurance included 			
BOILER & MACHINERY			
<ul style="list-style-type: none"> ▪ Broad form insurance included at 100% replacement value (including boilers, air conditioning systems, refrigeration and heating apparatus, pressure vessels and pressure pipes) ▪ Insurance includes Business Interruption 			
CRIME COVERAGE			
<ul style="list-style-type: none"> ▪ Limit commensurate with risk – to include: <ul style="list-style-type: none"> ▪ Employee Dishonesty ▪ Forgery & Alteration ▪ Money & Securities ▪ Money & Securities (outside) ▪ Computer Fraud ▪ Counterfeit paper currency 			
WATERCRAFT COVERAGE – if exposure present (limit commensurate with risk)			

REQUIREMENTS

PROCURED BY

	Hilton	Owner	N/A
AIRCRAFT COVERAGE – if exposure present (limit commensurate with risk)			

GENERAL REQUIREMENTS

COMPLETED

	Yes	No	N/A
<ul style="list-style-type: none"> Add as additional insured <i>“Hilton Worldwide Holdings Inc. and its subsidiaries and affiliates (including their respective directors, officers and employees), now or hereafter existing”</i> on the Business Interruption policy 			
<ul style="list-style-type: none"> Policies are endorsed to be primary insurance with no recourse to or contribution from any other similar insurance, if any, carried by Hilton, its owners, subsidiaries and affiliates now or hereafter existing 			
<ul style="list-style-type: none"> Certificate(s) and/or Evidence of insurance, completed Checklist have been submitted via email to hiltoninternational@bcsops.com or via fax to (866) 277-8529 			
<ul style="list-style-type: none"> Insurance companies have been notified of the requirement to provide 30 day notice of cancellation 			

As designated representative of location’s Owner, or licensed agent/broker for the insurance policies noted above, I affirm and attest that this Checklist is an accurate representation of insurance maintained on behalf of the above-named location.

Printed Name

Signature

Date

If completed by Insurance Agent/Broker:

Name of Agency/Brokerage:

and Broker License Number:

Address:

INSURANCE POLICY INFORMATION – FRANCHISE HOTELS

INSURANCE REQUIRED DURING OPERATIONS – HOTELS OUTSIDE U.S.A.

Please have your insurance company or insurance broker complete the attached form and sign

Location Name (including Brand) _____

Full Address of Location _____

<u>Policy Coverage</u>	<u>Policy Number</u>	<u>Expiration Date</u> (Format: DD/MM/YYYY)	<u>Amount of Coverage</u>
Public Liability	<u>Hotel must participate in Hilton Worldwide’s Global Program</u>		
Auto Liability	_____	_____	_____
	**If there are No Owned Automobiles for the Hotel please write that in above		
Excess Liability	_____	_____	_____
Employers Liability	_____	_____	_____
Workers Compensation	_____	_____	_____
Crime/Employee Theft	_____	_____	_____
Property/Building	_____	_____	_____
Business Interruption	_____	_____	_____

HILTON INSURANCE PROGRAM

▪ We do not need to see proof of coverage for Policies under a Hilton Insurance Program

Printed Name:

Signature:

Date:

INSURANCE

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INSURANCE

NOTE: The following Insurance Requirements section is written with U.S. Dollars used for coverage types and minimum limits. The insurance obtained must meet or exceed these brand standards based on current currency conversions.

Franchisee/Owner must meet or exceed the insurance requirements specified in this Hilton Worldwide Holdings Inc., Brand Standards Manual ("Manual"), unless specifically indicated to the contrary in the Management Agreement ("Agreement"). Insurance requirements are split into TWO areas: Insurance required during Construction (or Significant Renovation); and Insurance required during Operation.

Wherever possible, global standards have been provided. To the extent requirements differ for properties located within the U.S. and those located outside the U.S., specific standards are provided

912.01 INSURANCE REQUIRED DURING CONSTRUCTION

912.01.A OCCUPATIONAL INJURY

Minimum Required Limit: As required by local law

NOTE: *Occupational Injury insurance, as required by law or regulation, must be in force prior to the hiring of any Team Members.*

912.01.B EMPLOYERS LIABILITY

Minimum Required Limit: \$1M per occurrence or as required by local law

NOTE: *The EL limits can be satisfied by any combination of Occupational Injury Scheme, EL, and/or PL policies. However, the certificate of insurance must clearly indicate that PL insurance affords coverage for EL.*

912.01.C GENERAL LIABILITY / PUBLIC LIABILITY

Minimum Required Limit: \$15M each occurrence

NOTE: *Coverage must include Products-completed operations, Personal and advertising injury, Protective liability, Independent contractors, and Liability assumed under an insured contract (including the tort liability of another assumed in a business contract) on an "occurrence basis." This insurance may not have any restrictions, modifications or exclusions for explosion, collapse, underground property damage, earth movement or damage to work performed by a subcontractor. Contractor must carry completed operations insurance for a period of not less than 5 years after the completion of the project.*

912.01.D AUTO LIABILITY

Minimum Required Limit: As required by local law

NOTE: *As required by local law*

912.01.E POLLUTION LEGAL LIABILITY

Minimum Required Limit: (if exposure exists) \$1M

NOTE: *If the Contractor's policy is on a claims-made form, the retroactive date of the policy must be on or before the date of the commencement of services by Contractor.*

Insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of the work. If the coverage is canceled or not renewed, and it is not replaced with another policy with a retroactive date that precedes the date of Contractor's agreement, the Contractor must provide extended reporting coverage for a minimum of three (3) years.

912.01.F UMBRELLA / EXCESS LIABILITY

Minimum Required Limit: See Underlying Requirements

NOTE: *Insurance requirements for PL, EL and AL may be satisfied with a combination of primary umbrella and/or excess policies.*

912.01.G PROFESSIONAL ERRORS AND OMISSIONS

Minimum Required Limit: Limits Commensurate with risks

NOTE: *The Architect and all other professionals must carry E&O. Such policy shall cover claims arising out of negligent errors or omissions during the performance of professional services and include coverage for attorney fees. The retroactive date of the policy must be shown on the certificate of insurance and must be before the date of the agreement. If the coverage is canceled or not renewed and it is not replaced with another policy with a retroactive date that precedes the date of this agreement, all professionals must provide extended reporting coverage for a minimum of two (2) years after completion of the agreement or the work on the former policy. Professionals shall keep such insurance in force during the course of this Agreement for a period of not less than two (2) years after the date of completion.*

912.01.H BUILDER'S RISK

Minimum Required Limit: 100% Completed Value (Full Replacement Cost) or limits sufficient to avoid co-insurance Earthquake and Flood (not less than 75% of the replacement cost or full probable maximum loss (PML) if in an earthquake and/or flood hazard area Windstorm – 75% Replacement Cost or PML

NOTE: *“All Risk” form and including the following: cold testing, windstorm, flood (if in a 100 year zone), earthquake (if in high hazard zone) and collapse, including collapse resulting from design error This insurance must apply to: property intended for incorporation into the work for the entire duration of the contract including: Property in the course of construction, reconstruction, or repair; Property while in transport to the site; Property stored at the site or off premises; Scaffolding, staging, shoring, formwork, fences, false work, and temporary buildings and any similar items commonly referred to as construction equipment located at the site; Furniture, fixtures, and Other personal property typical to a property located on premises or in storage or at any other temporary location. The policy must cover the cost of removing debris, including demolition as may be made legally necessary by the operation of any applicable law, ordinance or regulation. Permission to occupy or a partial occupancy clause or definition must be included and allow occupancy without qualification. This insurance must include Business Interruption coverage including the Brand's interest for full recovery of net profits and continuing expenses of the property projected for 12 months following a covered loss (including Rental Value and payments that would have been owed the Brand in the absence of a loss). This insurance must be maintained in effect until the earliest of either the date on which all persons and organizations who are insured under the policy agree that it may be terminated or as provided for in the contract documents. This insurance must name all Franchisees/Owners of the premises, agents of the Franchisee/Owner, and Contractors of any tier as insured. The policy must include a*

waiver of subrogation stating that all Franchisees/Owners and Contractors waive their rights of subrogation against one another with respect to losses covered by this policy.

912.01.I GENERAL REQUIREMENTS

Franchisee/Owner must defend, indemnify and hold Hilton Worldwide Holdings, Inc., its owners, subsidiaries and affiliates now or hereafter existing, harmless from any and all damages or claims arising out of the failure of any Contractor, supplier or vendor doing business with the property to maintain adequate insurance. Contractors must not be allowed on the site or within the premises until the stated insurance requirements are evidenced.

Contractor's insurance, with the exception of an Occupational Injury Scheme, must name Franchisee/Owner, Hilton Worldwide Holdings, Inc., and each of their owners, subsidiaries and affiliates (including their respective directors, officers and Team Members), now or hereafter existing as additional insured, and copies of these endorsements or their equivalent must be provided to Franchisee and the Brand.

Franchisee/Owner, at its option, may purchase an "Owner controlled insurance program" or "wrap up."

912.02 INSURANCE REQUIRED DURING OPERATION

912.02.A PUBLIC LIABILITY AND EXCESS LIABILITY

Minimum Required Limit: Participation in Brand insurance program is mandatory.

NOTE: *The Brand or its designee will, at Franchisee/Owner's cost, provide upon the commencement of operation of the property and maintain at all times during the term of the Agreement, third-party PL in such amounts as the Brand may deem necessary. Franchisee/Owner will be named as an additional insured. The Brand may elect to maintain all or part of such policies under an arrangement insuring one or more properties operated by the Brand or its affiliates or subsidiaries, in which event the cost of such insurance to Franchisee/Owner will be allocated by the Brand on the same basis as other properties of the Brand. If the Brand cannot obtain coverage, Brand will advise Franchisee/Owner of acceptable insurance requirements.*

912.02.B WORKERS COMPENSATION / OCCUPATIONAL INJURY SCHEME

Minimum Required Limit: As required by local law or regulation

NOTE: *Occupational Injury insurance, as required by local law or regulation, must be in force prior to the hiring of any Team Members.*

912.02.C EMPLOYER'S LIABILITY

Minimum Required Limit: \$1M per occurrence or as required by local law

NOTE: *The EL limits can be satisfied by any combination of Occupational Injury Scheme, EL and/or PL policies. However, the certificate of insurance must clearly indicate that PL insurance affords coverage for EL.*

912.02.D GENERAL LIABILITY / PROPERTY OWNER'S LIABILITY

Minimum Required Limit: Commensurate with Risk

NOTE: Franchisee/Owner must procure and maintain Property Owners Public Liability policy fully protecting Franchisee/Owner for liability arising out of its ownership, possession and use of the property. Exposure will depend on the extent to which Franchisee/Owner is involved in day to day operation of the property. Hilton recommends that Franchisee/Owner consult with a licensed insurance broker to determine appropriate limits.

912.02.E AUTO LIABILITY

Minimum Required Limit: The greater of US\$25,000 and limit required by local law

NOTE: If property owns and operates vehicles, Franchisee/Owner must procure and maintain AL as required by local law or regulation subject to a US\$25,000 minimum

912.02.F WATERCRAFT LIABILITY

Minimum Required Limit: Commensurate with Risk

NOTE: Hilton recommends that Franchisee/Owner consult with a licensed insurance broker to determine appropriate limits

912.02.G AIRCRAFT LIABILITY

Minimum Required Limit: Commensurate with Risk

NOTE: Hilton recommends that Franchisee/Owner consult with a licensed insurance broker to determine appropriate limits.

912.02.H COMMERCIAL PROPERTY AND BUSINESS INTERRUPTION

Minimum Required Limit: Full Replacement Cost or limits sufficient to avoid co-insurance

Earthquake and Flood (not less than 75% of the replacement cost or full probable maximum loss (PML) if in an earthquake and/or flood hazard area

Windstorm – 75% Replacement Cost or PML

NOTE: Property Damage on a special causes of loss policy form ("All Risks"), including terrorism (may be part of the liability policy or a separate policy) covering 100% of the insurable replacement value of the building and its contents. Such limit must be sufficient to avoid a co-insurance penalty, if applicable. The policy must include coverage for the peril of windstorm and for ordinance and law.

This requirement for Earthquake and Flood only applies to properties in an earthquake or flood hazard area. Please work with your insurance professional to determine whether or not your property is in a high hazard area.

If a PML study is being used to determine appropriate earthquake, flood or wind limits, the PML must be based on the results of a professional study.

912.02.I BOILER AND MACHINERY (EQUIPMENT BREAKDOWN)

Minimum Required Limit: Full replacement cost of items

NOTE: Broad form Boiler and Machinery insurance against loss from accidental damage to, or from the explosion of, boilers, air conditioning systems, including refrigeration and heating apparatus, pressure vessels and pressure pipes in an amount equal to 100% of the actual

replacement value of such items (without taking into account any depreciation) plus full recovery of the net profits and continuing expenses of the property. Continuing expenses must specifically include royalty/license fees and other fees payable to the Brand.

912.02.J TERRORISM

Minimum Required Limit: Full replacement cost and business interruption

Third party liability if not covered in the GL policy

NOTE: *Terrorism coverage shall be obtained and maintained for both first-party damage and-third party liability either stand-alone, through a government operated or mandated pool, or as part of the PL coverage and the Property Damage/ Business Interruption coverage.*

912.02.K CRIME

Minimum Required Limit: Commensurate with risk

NOTE: *Please consult with a licensed insurance broker to determine appropriate limits. The Crime insurance must include coverage for the following risks and consider more than cash on hand:*

- Team Member Dishonesty
- Forgery & Alteration
- Money & Securities
- Computer Fraud
- Safe Robbery
- Counterfeit Paper

912.02.L GENERAL REQUIREMENTS

With the exception of Property, Boiler & Machinery and Occupational Injury, all policies obtained by Franchisee/Owner must name the Franchisee/Owner as named insured, and must name Hilton Worldwide Holdings, Inc., and its owners, subsidiaries and affiliates now or hereafter existing as additional insured including their Team Members, officers and directors. All policies of Franchisee/Owner must be endorsed to be primary insurance with no recourse to, or contribution from, any other similar insurance, if any, which may be carried by Hilton Worldwide Holdings, Inc., and its owners, subsidiaries and affiliates. Evidence of such must be supplied to the Brand. Any deductibles or self-insured retentions above US\$50,000 or 5% of the replacement cost of the property must be declared to and approved by Hilton Worldwide Holdings, Inc., Risk Management Department, at: 7930 Jones Brand Drive, McLean, VA 22102; Email:

Risk.Management@hilton.com.

Requests by Franchisee/Owner to modify requirements for Earthquake, Flood, Windstorm or Terrorism may be submitted to Hilton Risk Management for consideration. Guidelines for such requests may be requested at Risk.Management@hilton.com

Franchisee/Owner must deliver or cause to be delivered to the Brand upon renewal or change in limits or coverage each of the following: Certificates of insurance or documentation acceptable to Hilton Worldwide Holdings, Inc., evidencing the insurance, including applicable endorsements. Where applicable each certificate must specifically identify and/or list: Insured location(s) by name, address and Facility ID number, Relevant policy numbers, Relevant parties as being named additional insured (as specified above), Correct Hilton legal entity as certificate holder (Hilton Inc., 7930 Jones Branch Dr., McLean, VA 22102)

For Property, Boiler & Machinery and Business Interruption: Windstorm, Earthquake and/or Flood as appropriate, Terrorism (unless provided separately). A signed letter written or translated to English from the insurance agent or broker who placed the required insurance

affirming that he or she has read and understood the insurance requirements contained in this Manual. This letter must specifically address whether the insurance the agent or broker has placed complies with the insurance requirements set forth in this Manual. A signed checklist from the insurance agent or broker indicating whether there is coverage for each of the minimum requirements set forth in this Manual. For samples of these letters and checklists, as well as sample certificates and evidence of property insurance, please request a copy from Hilton Worldwide Holdings, Inc., Risk Management department at Risk.Management@hilton.com. For notice purposes the certificate holder is "Hilton Worldwide Holdings, Inc., Attn: Risk Management, 7930 Jones Branch Drive, McLean, VA 22102" All certificates or other documents evidencing insurance must be provided in English with currency indicated in U.S. dollars.

Limits required in this standard may be satisfied in the local currency equivalent at the time the policy is purchased. All evidence of insurance required herein including certificates must be sent, either by fax, email or upload, to Hilton Worldwide Holdings, Inc.'s, external partner as indicated on OnQ's Risk Management page: Proof of Insurance (Certificates).

Hilton Worldwide Holdings, Inc.'s, external partner will review and audit each certificate of insurance in line with requirements as set out in this Manual. If Franchisee/Owner does not obtain or maintain the required insurance or policy limits, the Brand can (but is not obligated to) obtain and maintain the insurance or such portion of the insurance ("Difference in Limits"/"Difference in Conditions") needed to bring Franchisee/Owner's insurance in line with the requirements herein for Franchisee/Owner without first giving Franchisee/Owner notice. If the Brand does so, then Franchisee/Owner must immediately pay the Brand upon request, the premiums and costs incurred by Brand. The Brand makes no representation, implied or express, that the foregoing insurance requirements are adequate to protect Franchisee/Owner. The insurance coverage requirements contained in this Manual are only minimum requirements. These requirements do not relieve Franchisee/Owner from responsibility for any loss or claim for damages arising out of the Agreement. Franchisee/Owner must indemnify the Brand for any claim for damages due to failure of Franchisee/Owner or any Contractor, supplier or vendor doing business with Franchisee/Owner to maintain adequate insurance. To ensure compliance, the Brand strongly recommends that Franchisee/Owner reproduce all insurance requirements in this Manual in full and submit it to a licensed agent or broker experienced in writing insurance for properties. Failure of the Brand to demand evidence of compliance with the insurance requirements in this Manual or failure of the Brand to identify a deficiency from evidence that is provided shall not be construed as a waiver of Franchisee/Owner's obligation to maintain such insurance. At the request of the Brand, Franchisee/Owner must deliver a copy of each policy bearing certification of the insurance company underwriter(s), that the policy is a complete copy of the policy issued with all endorsements to the Brand. The Brand may increase or decrease the minimum amount of insurance, require additional or different types of insurance, or otherwise change the requirements to make them comparable to the amount and kinds of insurance carried by other properties or properties, taking into account the size and location of the property and changing circumstances in the law and insurance marketplace. Franchisee/Owner must obtain and maintain any other insurance required by local or national statute or law.

912.02.M BUSINESS INTERRUPTION

Minimum Required Limit: Full recovery of net profits and continuing expenses for 12 months

NOTE: *Full recovery of the net profits and continuing expenses of the property (including rental value) for a 12 month period must be carried. Such limit must be sufficient to avoid a co-insurance penalty, if applicable.*

Continuing expenses must specifically include royalty/license fees and other fees payable to the Brand, its subsidiaries and affiliates. The policy must include coverage for all perils identified for Commercial Property Insurance and Boiler & Machinery above.

Hilton Worldwide Holdings, Inc., and its owners, subsidiaries and affiliates now or hereafter existing must be included as an additional insured as respects their interest in Business Interruption insurance.