IHG Owners Association

FRE NIGHTS PROGRAM

HOTEL PROGRAM REQUIREMENTS

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LIST OF DEFINED TERMS

ANNUAL ALLOCATION Twenty-five (25) free nights each member (as defined below) receives within seven (7) to ten (10) business days of membership renewal/activation.

ANNUAL INVENTORY CAP The maximum number of hotel rooms required to be allocated per year. This cap is based on a percentage of the total number of available room nights per year at the hotel.

FS Rate code for IHG Owners Association Free Nights Program.

INIOA Rate category for IHG Owners Association Free Nights Program.

MAXIMUM INVENTORY CAP PER NIGHT The maximum number of hotel rooms required to be allocated per night. This cap is based on the total number of rooms in the hotel and is subject to a hotel's forecasted availability.

MEMBER An individual with a valid (current-year) IHG Owners Association member benefits card.

MEMBERSHIP ACCOUNT A Principal Correspondent (PC) and any additional affiliated cardholders.

MINIMUM INVENTORY REQUIREMENT PER NIGHT The minimum number of hotel rooms required to be allocated per night. This requirement is based on the total number of rooms in the hotel and is subject to a hotel's forecasted availability.

PROGRAM The IHG Owners Association Free Nights Program.

HIGHLIGHTS

OVERVIEW OF HOTEL PROTECTIONS

- All bookings are validated through IHG® Rewards. This ensures that only members in good standing are able to book free nights.
- Members are limited to a 90-day booking window, which facilitates yield management and limits exposure of free night room reservations.
- The Program automatically calculates a cap on the number of rooms member hotels are required to allocate to free nights on a nightly basis.
- A cap on each member's Annual Allocation, as well as a limit of one stay per month, per member at each host hotel, prevents excessive use of the Program.
 - A cap on the inventory required to be allocated to the Program on an annual basis helps ensure that host hotels are not providing an inequitable number of free room nights.
 - Each hotel is also allowed 50 blackout dates, as further defined below.

HOTEL PROGRAM REQUIREMENTS

1. INIOA Rate Category Requirements

As a member of the IHG Owners Association, your hotel(s) must participate in the IHG Owners Association Free Nights Program. The Program is available through IHG Concerto™. Members can book free nights through the IHG Rewards website, on the IHG® mobile app or by calling the Dedicated Members Reservation Line.

The INIOA Rate Category is automatically loaded for each member hotel by IHG® Hotels and Resorts within three (3) weeks of membership renewal/activation. This rate category is associated with a Flat Rate Code (FS) of "1.00" (or "1" if the hotel does not use a decimal currency). Since this is a free night, any room charge or tax that appears on a folio should be adjusted off upon check-out. Incidental charges are separate and are not included in the Free Night Rate. The INIOA Rate Category must be maintained as loaded by IHG.

The INIOA Rate Category will be loaded for a current-year member hotel until the end of the first quarter of the following year, as hotels are actively renewing memberships during this time. If a hotel has not renewed its membership by March 31 of the following year, the INIOA Rate will be deactivated or an end-sell date will be placed if the hotel has active future bookings in place in month of April.

An INIOA Rate room is defined as a standard room. The rate must remain linked to a standard room type and may not be linked to room types that are frequently sold out or non-displayable.

Member hotels that do not have the INIOA Rate loaded correctly for all room types will be in violation of the Program. A violation may lead to termination of the member hotel's Association membership, the termination of member benefits card(s) and/or termination of the entire membership account, including all cardholders.

INIOA free night stays at all member hotels are NOT reimbursable (like the IVANI rate code) but do count towards total rooms available for the hotel occupancy calculation for Rewards Night reimbursement qualification.

2. Room Allocation Requirements

Room allocation requirements are set up by IHG and managed on a daily basis through IHG Concerto. No hotel action is needed.

Hotel colleagues should never change or assign a room type for an INIOA reservation until the guest is checking in. If a guest contacts the hotel to request a room-type, this can be logged on "Trace" as a special request and the specific room type (if available) can be assigned to the guest upon check-in. Assigning a room type ahead of check-in will prevent members from canceling or modifying their reservations.

Minimum Inventory Requirement

Minimum room requirements are based on the total number of rooms in the hotel.

Maximum Inventory Cap

To protect member hotels from excessive Program bookings, a nightly maximum inventory cap is set based on the total number of rooms in the hotel and is subject to a hotel's forecasted availability.

The following Hotel Inventory Chart illustrates the minimum and maximum room thresholds:

Hotel Size	Minimum Inventory Requirement Per Night	Maximum Inventory Cap Per Night
Up to 100 rooms	1	4
101-250 rooms	2	6
251 and more rooms	3	8

Yield Management

All Program bookings are subject to hotel availability. Hotels do not need to "hold" rooms to meet the Minimum Inventory Requirement Per Night threshold; if the hotel sells all rooms, the hotel will not show any availability for the Program rate.

When a hotel is forecasting low occupancy and has met the Minimum Inventory Requirement for that night (as listed in the chart above), additional free nights may be sold up to the hotel's Maximum Inventory Cap, depending on availability.

Annual Inventory Cap

Each hotel has an Annual Inventory Cap of .5 percent to prevent excessive use of the Program. If a member hotel reaches the Annual Inventory Cap, they can contact the Association, who will provide the option of discontinuing the INIOA rate for the remainder of the year. Hotels may offer additional rooms under the Program beyond the Annual Inventory Cap Per Night, at their discretion.

Hotels can contact the Association to request a review of INIOA Rate room consumption for the current year if the hotel may be approaching (or may have exceeded) the Annual Inventory Cap.

How Room Allocation Works

Instead of inventory being offered above the hotel's Minimum Inventory Requirement Per Night up to last room availability (which would detract from the number of rooms the hotel could potentially sell under the Best Flex Rate), the Program will allow additional bookings ONLY if the hotel is forecasting limited demand during those potential booking dates.

Example 1

An 87-room hotel would have the following thresholds (per the Hotel Inventory Chart):

- A Minimum Inventory Requirement Per Night of one (1).
- A Maximum Inventory Cap Per Night of four (4).
- On a forecasted low-occupancy night, this hotel would show availability of up to four (4) rooms (Maximum Inventory Cap Per Night).
- On a forecasted high-occupancy night, this hotel would show availability of one (1) room (Minimum Inventory Requirement Per Night).
- On a sellout night, this hotel would show zero (0) availability. (Minimum Inventory Requirement Per Night would be superseded.)

NOTE: At the hotel's discretion, the Annual Inventory Cap may be put into effect once this 87-room hotel has provided 159 rooms under the Program (87 rooms * 365 days * .5% = 158.8). In such event, no additional rooms would need to be allocated for the remainder of the calendar year.

Example 2

A 350-room hotel would have the following thresholds (per the Hotel Inventory Chart):

- A Minimum Inventory Requirement Per Night of three (3).
- A Maximum Inventory Cap Per Night of eight (8).
- On a forecasted low-occupancy night, this hotel would show availability of up to eight (8) rooms (Maximum Inventory Cap Per Night).
- On a forecasted high-occupancy night, this hotel would show availability of three (3) rooms (Minimum Inventory Requirement Per Night).
- On a sellout night, this hotel would show zero (0) availability. Minimum Inventory Requirement Per Night would be superseded. As rooms are sold (e.g., under the Best Flex Rate), the availability of rooms in the Program would progressively diminish from three (3) to zero (0).

NOTE: At the hotel's discretion, the Annual Inventory Cap may be put into effect once this 350-room hotel has provided 639 rooms under the Program (350 rooms * 365 days * .5% = 638.8). In such event, no additional rooms would be allocated for the remainder of the calendar year.

3. Blackout Dates

Member hotels are allowed fifty (50) Blackout Dates per calendar year for INIOA Rate Category. It is the hotel's responsibility to load and manage Blackout Dates for this rate category for high demand period(s) and/or special event dates. For more information on how to load Blackout Dates, please visit Merlin and access the GRS Tool.

Hotels will not show any availability under the Program once the hotel has established a Blackout Date. However, any rooms booked under the Program prior to the Blackout Date being established must be honored (except as noted below in Section 4, "Industry Events").

Example

- On March 1, member #1 books two rooms for three nights at a hotel for a May 15-18 stay.
- On April 1, the hotel loads a Blackout Date for May 16.
- The reservation for member #1 must be honored, as it pre-dates the loading of the Blackout Date.
- On April 15, member #2 attempts to book two rooms for three nights, also for May 15-18, and encounters the May 16 Blackout Date. No availability would appear for May 16, but the member could book for May 15 or May 17 under the Free Night Rate.

*Monthly maximum rule applies. See booking rules and stay parameters.

4. Industry Events

The Program Rate Category INIOA will be available during a special event or special requirement as defined in IHG Concerto, unless the hotel has one or more Blackout Dates loaded during this timeframe.

- Member hotels are urged to put Blackout Dates into the system for industry events well in advance of the actual
 event date.
- Members and member hotels are responsible for being aware of industry-related events ("Industry Events") and booking and managing the Free Night Rate accordingly. NOTE: Members are not permitted to book under the Program for any hotels impacted by an Industry Event within a 25-mile radius. Examples of Industry Events include the IHG Conference, as well as conferences for AAHOA, NYU, Hunter, AHLA, Hilton, Marriott or other hotel brands. Hotels are not required to provide the Program Rate in these circumstances. Industry Events also include meetings hosted by the Association and IHG meetings.

If a member hotel has Program reservations booked during an Industry Event, hotel colleagues should contact the guest at least fourteen (14) days prior to the arrival date. Follow the steps below to assist members:

- Do not cancel the reservation at the hotel. Advise the guest to cancel his or her reservation(s) through the web, the IHG
 mobile app or by using the Dedicated Member Reservation Line. Reservations cancelled or modified by the hotel will
 result in the loss of free night(s).
- The hotel may offer to book a new reservation under a different rate or suggest that the guest make alternate arrangements.

Courteous practices by both members and member hotels will help eliminate unnecessary guest relations issues that may negatively impact the host hotel and/or the members.

5. Reservation Requirements

All reservations are subject to hotel availability and a member's Annual Allocation of free nights.

If a member has a valid reservation booked in advance with a valid confirmation number, the reservation must be honored. Such reservations are to be treated as any regular reservation. If the hotel is sold out due to overbooking or any other reason upon the member's arrival, the hotel may "walk" the member to another comparable hotel in accordance with the applicable IHG standard(s).

The Program reservation is valid for a standard room for two (2) adults. Room upgrades can be provided to members by the hotel upon check-in based on availability and IHG[®] Rewards Platinum Elite status of the member (all members should have Platinum Elite status.)

The granting of IHG Rewards points and Welcome Amenities are governed by the applicable IHG standard(s).

Each member is allowed no more than one (1) stay per calendar month at each member hotel. (Members may book rooms under the Program in different member hotels in the same month, but only one stay per month per hotel is permitted.)

- A stay may be up to three (3) nights in a row.
- Consecutive nights may be booked under separate reservations.

- Each member is permitted up to two (2) rooms per night, per stay.
- Once a member has exhausted his or her Annual Allocation, no further free nights will be available to book for that calendar year.

6. Guest Check-In and Stay Requirements

The INIOA Rate Category may not be used on the same night as an IHG Employee Rate (IVEDI Rate Category) reservation. The IHG Employee Rate requires the employee to stay in the room booked under that rate. Similarly, the member is required to stay in the room booked under the IHG Owners Association Free Nights Program. The Employee Rate may be used before or after an IHG Owners Association Free Nights stay.

The member must be present at check-in and must stay in the room booked under the INIOA Rate Category. If two rooms are booked under the same reservation, the member must stay in one of the rooms.

When checking in a guest under the INIOA Rate Category, the hotel's front desk agent must ask for the following:

- Valid photo I.D. (a driver's license or passport).
- Valid (current-year) Association member benefits card. The name on the member benefits card must match the photo I.D. and the name on the reservation. The member may present either a printed copy or a digital version of the member benefits card (i.e., members may present their membership cards via their mobile devices).
- Valid credit card for incidentals.

Please contact the Free Nights Help Team at freenights@ihgowners.org or (001) 770.604.5555 ext. 3 with any questions.

Association membership is validated during the booking process of an INIOA reservation to ensure that only members in good standing can make reservations under the Program; however, the member must present identification and a valid, current-year member benefits card during the check-in process to validate to the hotel that he/she matches the name on the reservation.

The member may present either a digital copy of the member benefits card on his or her mobile device or a printed copy. Either is acceptable as proof of the member's valid Association membership. The design of the member benefits card is subject to change on an annual basis.

Members are advised that they must present their current-year member benefits card upon check-in. If they do not have their card at check-in, the host hotel may call the Association offices during regular business hours at (001) 770.604.5555, ext. 1 (or send an email to membership@ihgowners.org) to verify the membership status of the guest. Please have the member's name, phone number and IHG Rewards number available when calling for verification.

If the individual is not verified as a current Association member, the hotel is not obligated to honor the INIOA reservation and the hotel may charge its regular Best Flex Rate or any applicable rate, at its discretion.

Only the cost of the room and room tax are free. The member is responsible for all incidental charges, taxes, resort fees, food & beverage expenses and any other applicable fees. It is recommended that any parking charges (if applicable) be waived for IHG Rewards Platinum Elite members staying at the INIOA Rate.

7. Cancellations and No-Show Reservations

Important: If a guest **contacts the hotel to cancel or modify a reservation** prior to the hotel's cancellation deadline, hotel colleagues must advise the guest that modifications at the hotel will result in the loss of all free nights associated with that reservation. Guests should be directed to the web, the IHG mobile app or the Dedicated Member Reservation Line to make any changes or to cancel their reservations.

If a guest contacts the hotel to cancel or modify a reservation <u>after/past</u> the hotel's cancellation deadline, it may not be possible to make changes via the IHG Rewards account, the IHG mobile app or the Dedicated Member Reservation Line. In such cases, hotel colleagues should proceed with the cancellation and provide a cancellation number to the guest. The guest should be informed that the free night(s) used to book this reservation is/are forfeited, and the late cancellation is subject to the hotel's cancellation policy. Any questions from the guest regarding this policy can be referred to the Association.

No-show Reservations: Members who do not show up to their reservation will be assessed charges in accordance with the hotel's cancellation policy. Charges may include one night's charge billed at regular Best Flex Rate, plus taxes, at the discretion of the hotel's General Manager. **The member will also forfeit the allocated free night for the first night of the reservation.**

Cancellations Prior to the Member's Stay (must be prior to hotel's cancellation deadline): To cancel a reservation and obtain a cancellation number prior to the member's stay, the member must request cancellation through their IHG Rewards account by going on www.ihgrewards.com, on the IHG mobile app or by phone by calling the Dedicated Member Reservation Line at 1-877-500-4244 or (001) 770-604-5555, option 2. Cancellation requests are handled in accordance with the hotel's cancellation policy. Reservations cancelled prior to the stay and in accordance with hotel's cancellation policy will not cause the member to lose any free nights from their Annual Allocation. In the event of a validated cancellation, all free nights that were applied to the reservation will be automatically re-deposited to the member's Annual Allocation and can be viewed in their IHG Rewards account immediately.

Cancellations Made On-Property, at Check-in or During the Member's Stay: Any reservations that are cancelled or modified at initial check-in or after the member has checked into the hotel will result in forfeiture of all free night(s) associated with that stay. Any such forfeited nights will not be re-deposited to the member's Annual Allocation. In order to ensure the redeposit of free nights into a member's Annual Allocation, a reservation modification or cancellation must be made prior to check-in and in accordance with the hotel's cancellation policy timeframe and must be completed online through the member's IHG Rewards account, on the IHG mobile app or by calling the Dedicated Member Reservation Line (i.e., not by phone with the hotel or in person during the stay).

For more information or questions, please contact the Association's Free Nights Team at freenights@ihgowners.org or at 770.604.5555, option 3.

Disclaimer

The IHG Owners Association Free Nights Program is applicable solely to current IHG Owners Association members. The Program is subject to change at the IHG Owners Association discretion.



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