



COMPANIES HOUSE

mw/e20/  
176819

BR1

This form should be completed in black.

**Return delivered for registration of a branch of  
an overseas company**

(Pursuant to Schedule 21A, paragraph 1 of the Companies Act 1985)

Corporate name  
(See note 5) (name in parent state)  
Business name  
(if different to corporate name)

Country of Incorporation  
Identity of register  
(if applicable)

Legal form  
(See note 3)

For office  
use only

CN

FC 21247

BN

BR 4568

HILTON RESERVATIONS WORLDWIDE, LLC.

UNITED STATES OF AMERICA

SECRETARY OF STATE IN DELAWARE

and registration no. N/A

LIMITED LIABILITY COMPANY LIMITED BY CAPITAL CONTRIBUTION

<sup>1</sup> See note 2

**PART A - COMPANY DETAILS** <sup>1</sup>

\* State whether the company is  
a credit or financial institution

\* Is the company subject to Section 699A of the Companies Act 1985?

YES ☐

NO ☒

(1) These boxes need not be completed by companies formed in EC member states

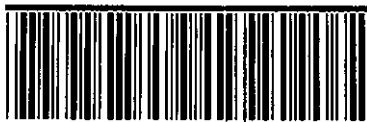
Governing law  
(See note 4)

DELAWARE LIMITED LIABILITY COMPANY ACT

Accounting  
requirements

Period for which the company is required to prepare accounts by  
parent law. from N/A to

Period allowed for the preparation and public disclosures of accounts  
for the above period N/A months



A06 \*ALMUQ85E\* 664

COMPANIES HOUSE 24/07/98

COMPANIES HOUSE 25/06/98

(2) This box need NOT be completed by companies from EC member states, OR where the constitutional documents of the company already show this information.

Address of principal place of business in home country

2050 CHENNAULT DRIVE, CARROLLTON,  
TEXAS 75006-5096

Objects of company

OPERATION OF WORLDWIDE HOTEL RESERVATION  
SYSTEM  
COMPANY DOES NOT ISSUE STOCK. IT IS CAPITALISED BY  
CONTRIBUTIONS FROM THE MEMBERS AND THE AMOUNT  
OF PAID-IN CAPITAL PER MEMBER CURRENCY  
IS US \$2M

Issued share capital

### Company Secretary(ies)

(See note 10)

Name

\* Style / Title

Forenames

Surname

\* Honours etc.

Previous Forenames

Previous surname

\* Voluntary details

Address

Post town

County / Region

Postcode

Country

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

### Company Secretary(ies)

(See note 10)

Name

\* Style / Title

Forenames

Surname

\* Honours etc.

Previous Forenames

Previous surname

\* Voluntary details

Address

Post town

County / Region

Postcode

Country

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

(You may photocopy this page if required)

**EXHIBIT "A"**  
**MEMBERS, CAPITAL CONTRIBUTIONS,**  
**AND PERCENTAGE INTERESTS**

<b>Name of Members</b>	<b>Capital Account balance</b>	<b>Percentage Interest</b>
Hilton Hotels Corporation	\$2,000,000	50%
Hilton International Co.	\$2,000,000	50%

## Directors

(See note 10)

### Name

\* Style / Title MR

Forenames ROBERT

Surname DIRKS

\* Honours etc. \_\_\_\_\_

Previous Forenames \_\_\_\_\_

Previous surname \_\_\_\_\_

### Address

2148 LINDENGROVE STREET

Post town WESTLAKE VILLAGE

County / Region CALIFORNIA

Postcode 91361 Country USA

Date of Birth 1 0 1 2 4 6 Nationality AMERICAN

Business Occupation HOTEL COMPANY OFFICER

Other Directorships \_\_\_\_\_

NONE

### SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.)

Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

The extent of the authority to represent the company is :- (give details)

NO EXPRESS LIMITATION  
ON AUTHORITY

These powers :-

# ☒ May be exercised alone

OR

# ☐ Must be exercised with :-

(Give name(s) of co-authorised person(s))

# Mark box(es) as appropriate

(You may photocopy this page as required)

## Directors

(See note 10)

### Name

\* Voluntary details

### Address

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

### SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

# Mark box(es) as appropriate

(You may photocopy this page as required)

\* Style / Title MR

Forenames FRANCIS JOSEPH

Surname DUROCHER

\* Honours etc. \_\_\_\_\_

Previous Forenames \_\_\_\_\_

Previous surname \_\_\_\_\_

789 EMERSON AVENUE

Post town THOUSAND OAKS

County / Region CALIFORNIA

Postcode 91362 Country USA

Date of Birth 04/02/45 Nationality AMERICAN

Business Occupation HOTEL COMPANY OFFICER

Other Directorships \_\_\_\_\_

NONE

The extent of the authority to represent the company is :- (give details)

NO EXPRESS LIMITATION  
ON AUTHORITY

These powers :-

# ☒ May be exercised alone

OR

# ☐ Must be exercised with :-

(Give name(s) of co-authorised person(s))

## Directors

(See note 10)

### Name

\* Voluntary details

### Address

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

### SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

# Mark box(es) as appropriate

(You may photocopy this page as required)

\* Style / Title MR

Forenames JURGEN

Surname FISCHER

\* Honours etc. \_\_\_\_\_

Previous Forenames \_\_\_\_\_

Previous surname \_\_\_\_\_

8 RUE VIVALDI

Post town ST THIBAUT DES VIGNES

County / Region \_\_\_\_\_

Postcode 77400 Country FRANCE

Date of Birth 25/12/54 Nationality SWISS

Business Occupation HOTEL COMPANY OFFICER

Other Directorships \_\_\_\_\_

NONE

The extent of the authority to represent the company is :- (give details)

NO EXPRESS LIMITATION  
ON AUTHORITY

These powers :-

# ☒ May be exercised alone

OR

# ☐ Must be exercised with :-

(Give name(s) of co-authorised person(s))

## Directors

(See note 10)

### Name

\* Voluntary details

### Address

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

### SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

# Mark box(es) as appropriate

(You may photocopy this page as required)

\* Style / Title MR

Forenames DIETER

Surname HUCKESTEIN

\* Honours etc. \_\_\_\_\_

Previous Forenames \_\_\_\_\_

Previous surname \_\_\_\_\_

2645 STAFFORD

Post town THOUSAND OAKS

County / Region CALIFORNIA

Postcode 91361 Country USA

Date of Birth 

1	0	1	2	4	3
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 Nationality GERMAN

Business Occupation HOTEL COMPANY EXECUTIVE

Other Directorships \_\_\_\_\_

NONE

The extent of the authority to represent the company is :- (give details)

NO EXPRESS LIMITATION  
ON AUTHORITY

These powers :-

# ☒ May be exercised alone

OR

# ☐ Must be exercised with :-

(Give name(s) of co-authorised person(s))

## Directors

(See note 10)

### Name

\* Voluntary details

### Address

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

### SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

# Mark box(es) as appropriate

(You may photocopy this page as required)

\* Style / Title MR

Forenames DAVID WILLIAM

Surname JARVIS

\* Honours etc. \_\_\_\_\_

Previous Forenames \_\_\_\_\_

Previous surname \_\_\_\_\_

THE OLD VICARAGE

VICARAGE LANE

Post town MARK

County / Region SOMERSET

Postcode TA9 4NN Country ENGLAND

Date of Birth 25 04 47 Nationality BRITISH

Business Occupation COMPANY DIRECTOR

Other Directorships \_\_\_\_\_

SEE ATTACHED LIST

The extent of the authority to represent the company is :- (give details)

NO EXPRESS LIMITATION

ON AUTHORITY

These powers :-

# ☒ May be exercised alone

OR

# ☐ Must be exercised with :-

(Give name(s) of co-authorised person(s))



## Directors

(See note 10)

### Name

\* Voluntary details

### Address

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

### SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

# Mark box(es) as appropriate

(You may photocopy this page as required)

\* Style / Title MR

Forenames ROBERT

Surname LAFOREGIA

\* Honours etc. \_\_\_\_\_

Previous Forenames \_\_\_\_\_

Previous surname \_\_\_\_\_

13009 VIEW MESA STREET

Post town MOORPARK

County / Region CALIFORNIA

Postcode 93021 Country USA

Date of Birth 3 0 0 9 5 8 Nationality AMERICAN

Business Occupation HOTEL COMPANY OFFICER

Other Directorships \_\_\_\_\_

NONE

The extent of the authority to represent the company is :- (give details)

NO EXPRESS LIMITATION  
ON AUTHORITY

These powers :-

# ☒ May be exercised alone

OR

# ☐ Must be exercised with :-

(Give name(s) of co-authorised person(s))

## Directors

(See note 10)

### Name

\* Voluntary details

### Address

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

### SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

# Mark box(es) as appropriate

(You may photocopy this page as required)

\* Style / Title MR

Forenames DAVID

Surname SCOWSILL

\* Honours etc. \_\_\_\_\_

Previous Forenames \_\_\_\_\_

Previous surname \_\_\_\_\_

28 CAMBRIDGE ROAD

Post town TEDDINGTON

County / Region MIDDLESEX

Postcode TW11 8DR Country ENGLAND

Date of Birth 22 05 56 Nationality BRITISH

Business Occupation HOTEL COMPANY OFFICER

Other Directorships \_\_\_\_\_

NONE

The extent of the authority to represent the company is :- (give details)

NO EXPRESS LIMITATION  
ON AUTHORITY

These powers :-

# ☒ May be exercised alone

OR

# ☐ Must be exercised with :-

(Give name(s) of co-authorised person(s))

## Directors

(See note 10)

### Name

\* Voluntary details

### Address

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

### SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

# Mark box(es) as appropriate

(You may photocopy this page as required)

\* Style / Title MR

Forenames BRIAN GORMAN

Surname WALLACE

\* Honours etc. \_\_\_\_\_

Previous Forenames \_\_\_\_\_

Previous surname \_\_\_\_\_

THE OLD BARN, 28 MAIN STREET,  
MARKET OVERTON

Post town OAKHAM

County / Region LEICESTERSHIRE

Postcode LE15 7PL Country ENGLAND

Date of Birth 01 03 54 Nationality BRITISH

Business Occupation COMPANY DIRECTOR

Other Directorships \_\_\_\_\_

SEE ATTACHED LIST

The extent of the authority to represent the company is :- (give details)

NO EXPRESS LIMITATION  
ON AUTHORITY

These powers :-

# ☒ May be exercised alone

OR

# ☐ Must be exercised with :-

(Give name(s) of co-authorised person(s))

## Constitution of company

(See notes 8 to 9)

# Mark box(es)  
as applicable

(See note 9)

- # ☒ A certified copy of the instrument constituting or defining the constitution of the company
- AND
- ☐ \* A certified translation
- \* is / are delivered for registration

\* Delete as applicable

AND/OR

A certified copy of the constitutional documents and latest accounts of the company, together with a certified translation of them if they are not in the English language, must accompany this form.

- # ☐ A copy of the latest accounts of the company
- AND
- ☐ \* A certified translation
- \* is / are delivered for registration

AND/OR

The company may rely on constitutional and accounting documents previously filed in respect of another branch registered in the United Kingdom.

- # ☐ The Constitutional documents (\* and certified translations)
- AND / OR
- ☐ The latest accounts (\* and certified translations)
- of the company were previously delivered on the registration of the branch of the company at :-
- Cardiff ☐ Edinburgh ☐ Belfast ☐
- Registration no.

AND/OR

The company may rely on particulars about the company previously filed in respect of another branch in that part of Great Britain, provided that any alterations have been notified to the Registrar.

- ☐ the particulars about the company were previously delivered in respect of a branch of the company registered at THIS registry.

Registration no.

AND/OR

The company may also rely on constitutional documents and particulars about the company officers previously filed in respect of a former Place of Business of that company, provided that any alterations have been notified to the Registrar.

NOTE :- In all cases, the registration number of the branch or place of business relied upon must be given.

- # ☐ The Constitutional documents (\* and certified translation)
- AND / OR
- ☐ Particulars of the current directors and secretary(s)
- were previously delivered in respect of a place of business of the company registered at THIS registry.

Registration no.

## PART B - BRANCH DETAILS

### Persons authorised to represent the company or accept service of process

Give details of all persons who are authorised to represent the company as permanent representatives of the company in respect of the business of the branch.

Give details also of all persons resident in Great Britain, who are authorised to accept service or process on the company's behalf.

\* Delete as appropriate

#### SCOPE OF AUTHORITY

(This part does not apply to a person only authorised to accept service on behalf of the company)

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.)

Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

# Mark box(es) as appropriate

\* Style / Title MR  
 Forenames MICHAEL JEREMY  
 Surname NOBLE  
 Address GOATHILL FARM, WELL HILL LANE,  
WELL HILL  
 Post town CHELSEFIELD  
 County / Region KENT Postcode BR6 7QJ

Is # ☒ Authorised to accept service of process on the company's behalf

\* AND/OR

Is # ☒ Authorised to represent the company in relation to that business  
 The extent of the authority to represent the company is :- (give details)

NO EXPRESS LIMITATION

ON AUTHORITY

These powers :-

# ☒ May be exercised alone

OR

# ☐ Must be exercised with :-

(Give name(s) of co-authorised person(s))

**Persons authorised to represent the company or accept service of process**

Give details of all persons who are authorised to represent the company as permanent representatives of the company in respect of the business of the branch.

Give details also of all persons resident in Great Britain, who are authorised to accept service of process on the company's behalf.

\* Delete as appropriate

**SCOPE OF AUTHORITY**

(This part does not apply to a person only authorised to accept service on behalf of the company)

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.)

Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

# Mark box(es) as appropriate

(You may photocopy this page as required)

\* Style / Title \_\_\_\_\_

Forenames \_\_\_\_\_

Surname \_\_\_\_\_

Address \_\_\_\_\_

Post town \_\_\_\_\_

County / Region \_\_\_\_\_ Postcode \_\_\_\_\_

Is # ☐ Authorised to accept service of process on the company's behalf

\* AND/OR

Is # ☐ Authorised to represent the company in relation to that business

The extent of the authority to represent the company is :- (give details)

These powers :-

# ☐ May be exercised alone

OR

# ☐ Must be exercised with :-

(Give name(s) of co-authorised person(s))

(See note 11)

Address MAPLE COURT, CENTRAL PARK,  
REDS CRESCENT  
Post town WATFORD  
County / Region HERTS Postcode WD1 1HZ

**Branch Details**  
(See note 12)


Date branch opened 

2	2	0	6	9	8
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Business carried on at branch \_\_\_\_\_

OPERATION OF HOTEL RESERVATION  
SYSTEM

SIGNATURE

Signed   
(\* Director / Secretary / Permanent representative)

Date 23.6.98

This form contains 6 continuation sheets.

To whom should Companies House direct any enquiries about the information on this form?

Name JANE SINGLETON

Address MAPLE COURT, CENTRAL PARK,  
REEDS CRESCENT, WATFORD,  
HERTS Postcode WD1 1HZ

Telephone 0171 856 8242 Extension

When completed, this form together with any enclosures should be delivered to the Registrar of Companies at

For branches established in England and Wales

For branches established in Scotland

**Companies House**  
**Crown Way**  
**Cardiff**  
**CF4 3UZ**

**Companies House**  
**37 Castle Terrace**  
**Edinburgh**  
**EH1 2EB**

# FILE COPY



## **CERTIFICATE OF REGISTRATION OF AN OVERSEA COMPANY**

(Establishment of a branch)

Company No. FC021247

Branch No. BR004568

The Registrar of Companies for England and Wales hereby certifies that  
HILTON RESERVATIONS WORLDWIDE, L.L.C.

has this day been registered under Schedule 21A to the Companies  
Act 1985 as having established a branch in England and Wales

Given at Companies House, Cardiff, the 28th July 1998

A handwritten signature in black ink, appearing to be 'J. H. Jones'.

For The Registrar Of Companies



C O M P A N I E S H O U S E



# Personnel Appointments

Date as at: 07/07/1998

Full Name : Jarvis, David

Person ID : DWJ

## Internal Appointments

Number	Company Name	Appointment Type	Appointed	Resigned	Reason	Place of Incorporation
695283	Hilton International Hotels (U.K.) Limited	Director	13/12/1995			England
566221	Ladbroke Group PLC	Director	02/10/1995			England
81009	Ladbroke Hotels Limited	Director	13/12/1995			England

## External Appointments

Number	Company Name	Appointed	Resigned	Place of Incorporation
	Allied Distillers Limited	11/01/1988	31/08/1995	
	Allied Domecq Eastern Limited	21/11/1990	31/08/1995	
	Allied Domecq PLC	13/05/1991	31/08/1995	
	Allied Domecq Spirits & Wine Limited	09/03/1992	31/08/1995	
	Corby Distilleries Limited	23/06/1993	30/06/1994	
	Hiram Walker-Gooderham & Worts Limited	30/08/1995	30/08/1995	
	The Scotch Whiskey Association	21/01/1993	31/08/1995	

# Personnel Appointments

Date as at: 07/07/1998

Full Name : Wallace, Brian

Person ID : BGW

## Internal Appointments

Number	Company Name	Appointment Type	Appointed	Resigned	Reason	Place of Incorporation
42086	Chancell Insurance Limited	Director	12/05/1995	06/05/1997	Resignation	Isle Of Man
47697	Ladbroke Group Finance (Jersey) Limited	Director	12/05/1995			Jersey
1429533	Ladbroke Group Finance PLC	Director	12/05/1995			England
566221	Ladbroke Group PLC	Director	01/04/1995			England
289158	Travel Document Service Limited	Director	01/07/1996			England

## External Appointments

Number	Company Name	Appointed	Resigned	Place of Incorporation
	Abbeyvale Foods Limited	29/12/1990	03/04/1995	
	Antilles Imports Limited	29/12/1990	03/04/1995	
	B & J Marshall (Food Supplies) Limited	01/07/1993	03/04/1995	
	B P Truelove Limited	29/12/1990	03/04/1995	
	Belben & Company Limited	29/12/1990	03/04/1995	
	Blundell & Rimmer (Fruit) Limited	28/05/1991	03/04/1995	
	Blundell & Rimmer (Liverpool) Limited	28/05/1991	03/04/1995	
	Blundell & Rimmer (Preston) Limited	28/05/1991	03/04/1995	
	Blundell & Rimmer (Produce) Limited	01/03/1993	03/04/1995	
	Bourne Salads Limited	04/01/1993	03/04/1995	
	Caledonian Produce Limited	29/12/1990	03/04/1995	
	Celtic Catering & Marine Supplies Limited	29/12/1990	03/04/1995	
	Clipper Seafoods Limited	29/12/1990	03/04/1995	
	Combined Properties Limited	29/12/1990	03/04/1995	
	Coolsure Limited	29/12/1990	03/04/1995	
	Dan Wulfe & Co Limited	29/12/1990	03/04/1995	
	Den Gamle Have (UK) Limited	29/12/1990	03/04/1995	
	Dipsticks Limited	29/12/1990	03/04/1995	
	Elmplan Limited	20/05/1993	03/04/1995	
	English Village Salads Limited			

# Personnel Appointments

Date as at: 07/07/1998

Full Name : Wallace, Brian [Contd]

Person ID : BCW

External Appointments [Contd]

Number	Company Name	Appointed	Resigned	Place of Incorporation
	Excel Produce Limited	29/12/1990	03/04/1995	
	Francis Nicholls Limited	29/12/1990	03/04/1995	
	G & Y Cango Limited	29/12/1990	03/04/1995	
	G W Jackson (Cardiff) Limited	29/12/1990	03/04/1995	
	Geest (B/Gate) Limited	29/12/1990	03/04/1995	
	Geest (DP) Limited	29/12/1990	03/04/1995	
	Geest (Mail Order) Limited	29/12/1990	03/04/1995	
	Geest Computer Services Limited	29/12/1990	03/04/1995	
	Geest Foods Limited	29/12/1990	03/04/1995	
	Geest Holdings Limited	29/12/1990	03/04/1995	
	Geest Horticultural Group Limited	29/12/1990	03/04/1995	
	Geest Industrial Group Limited	29/12/1990	03/04/1995	
	Geest Industries Limited	29/12/1990	03/04/1995	
	Geest Marketing Services Limited	29/12/1990	03/04/1995	
	Geest Motor Services Limited	29/12/1990	03/04/1995	
	Geest Overseas Holdings Limited	29/12/1990	03/04/1995	
	Geest Overseas Mechanisation Limited	31/10/1990	03/04/1995	
	Geest PLC	29/12/1990	03/04/1995	
	Geest Pre-packers Limited	29/12/1990	03/04/1995	
	Geest Properties Limited	29/12/1990	03/04/1995	
	Geest Seafoods Limited	29/12/1990	03/04/1995	
	Goodwin Simons Hardy Limited	29/12/1990	03/04/1995	
	Greens (Spalding) Limited	21/02/1994	03/04/1995	
	Grounds Transport (Liverpool) Limited	29/12/1990	03/04/1995	
	Helliwell & Co (Flowers) Limited	29/12/1990	03/04/1995	
	Holdbarter Limited	29/12/1990	03/04/1995	
	Home Grown Salads Limited	29/12/1990	03/04/1995	
	Hortico International Limited	29/12/1990	03/04/1995	
	Houghton Millington & Co Limited	29/12/1990	03/04/1995	
	International Horticultural Supplies Limited	29/12/1990	03/04/1995	
	John Marsden & Sons (Preston) Limited	28/05/1991	03/04/1995	

# Personnel Appointments

Date as at: 07/07/1998

Full Name : Wallace, Brian [Contd]

Person ID : BGW

External Appointments [Contd]

Number	Company Name	Appointed	Resigned	Place of Incorporation
	John Woodger & Sons Limited	29/12/1990	03/04/1995	
	Kent Salads (Holdings) Limited	20/09/1991	03/04/1995	
	Kent Salads Limited	20/09/1991	03/04/1995	
	Lewis (Seeds) Limited	29/12/1990	03/04/1995	
	Moonbread Limited	29/12/1990	03/04/1995	
	Oberyield Limited	29/12/1990	25/11/1993	
	Oval Eggs Limited	21/02/1994	03/04/1995	
	Pamastra Limited	28/01/1993	03/04/1995	
	Shieldness Produce Limited	29/12/1990	03/04/1995	
	Sid Wright (Cardiff) Limited	29/12/1990	03/04/1995	
	Sid Wright (Retail) Limited	29/12/1990	03/04/1995	
	Sid Wright (Wholesale) Limited	29/12/1990	03/04/1995	
	Simons & Co Limited	29/12/1990	03/04/1995	
	Stanley Pibel Limited	29/12/1990	03/04/1995	
	The Baking Company Limited	01/03/1993	03/04/1995	
	The Foodservice Co Limited	29/12/1990	03/04/1995	
	The Fresh Dip Company Limited	29/12/1990	03/04/1995	
	The Fresh Salad Co Limited	29/12/1990	03/04/1995	
	The Fresh Sauce Co Limited	29/12/1990	03/04/1995	
	The Fresh Soup Co Limited	28/05/1991	03/04/1995	
	Thomas Church (Wigan) Limited	29/12/1990	03/04/1995	
	Three K's Limited	29/12/1990	03/04/1995	
	United Fruit Shippers Limited	29/12/1990	03/04/1995	
	William Hardy & Co (Newcastle) Limited	29/12/1990	03/04/1995	
	William Hardy & Sons (Middlesbrough) Limited	29/12/1990	03/04/1995	

*State of Delaware*  
*Office of the Secretary of State* PAGE 1

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I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF LIMITED LIABILITY COMPANY OF "HILTON RESERVATIONS WORLDWIDE, L.L.C.", FILED IN THIS OFFICE ON THE TENTH DAY OF JANUARY, A.D. 1997, AT 9 O'CLOCK A.M.



  
\_\_\_\_\_  
Edward J. Freel, Secretary of State

2705552 8100

981103631

AUTHENTICATION: 8979010

DATE: 03-18-98

**CERTIFICATE OF FORMATION**  
**OF**  
**HILTON RESERVATIONS WORLDWIDE, L.L.C.**

The undersigned, an authorized natural person, for the purpose of forming a limited liability company, under the provisions and subject to the requirements of the State of Delaware (particularly Chapter 18, Title 6 of the Delaware Code and the acts amendatory thereof and supplemental thereto, and known, identified, and referred to as the "Delaware Limited Liability Company Act"), hereby certifies that:


**FIRST:** The name of the limited liability company (hereinafter called the "limited liability company") is:

**Hilton Reservations Worldwide, L.L.C.**

**SECOND:** The address of the registered office and the name and the address of the registered agent of the limited liability company required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act are:

Corporation Service Company  
1013 Centre Road  
Wilmington, New Castle County, Delaware 19805-1297

Executed on January 10, 1997.

  
\_\_\_\_\_  
Siobhan S. Smith,  
Authorized Person

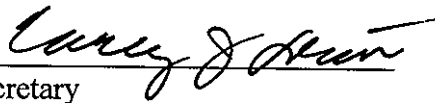


## CERTIFICATE

I, Carey J. Dutton, do hereby certify that I am the duly elected and qualified Secretary of **HILTON RESERVATIONS WORLDWIDE, L.L.C.** (the "Company"), a limited liability company organized and existing under the laws of the State of Delaware, U.S.A., and that I am familiar with the Company's books and records.

I do further certify that attached hereto as Exhibit A is a true and correct copy of that certain **Limited Liability Company Agreement of Hilton Reservations Worldwide, L.L.C.**, dated as of January 1, 1997.

**IN WITNESS WHEREOF**, I have hereunto affixed the Company's seal, and subscribed my name as Secretary, this 21<sup>st</sup> day of November, 1997.

  
Secretary

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LIMITED LIABILITY COMPANY  
AGREEMENT  
OF  
HILTON RESERVATIONS WORLDWIDE, L.L.C.

a Delaware Limited Liability Company

Dated as of January 1, 1997

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**LIMITED LIABILITY COMPANY AGREEMENT  
OF  
HILTON RESERVATIONS WORLDWIDE, L.L.C.**

**THIS LIMITED LIABILITY COMPANY AGREEMENT** (the "**Agreement**") is made and entered into as of the first day of January, 1997, by and between Hilton Hotels Corporation, a Delaware corporation ("**HHC**"), and Hilton International Co., a Delaware corporation ("**HI**") (together the "**Members**", with each being referred to, individually, as a "**Member**"), for the purpose of forming Hilton Reservations Worldwide, L.L.C. (the "**Company**"), a limited liability company organized under the Delaware Limited Liability Company Act (the "**Act**").

**ARTICLE 1**  
**ORGANIZATIONAL MATTERS**

1.1 **Formation.** The Members hereby form the Company under the Act for the purposes and upon the terms and conditions hereinafter set forth. The rights and liabilities of the Members of the Company shall be as provided in the Act, except as otherwise expressly provided herein. In the event of any inconsistency between any terms and conditions contained in this Agreement and any non-mandatory provisions of the Act, the terms and conditions contained in this Agreement shall govern.

1.2 **Name.** The name of the Company shall be "Hilton Reservations Worldwide, L.L.C." The Company may also conduct business at the same time under one or more fictitious names if the Management Committee determines that such is in the best interests of the Company. The Management Committee may change the name of the Company, from time to time, in accordance with applicable law.

1.3 **Principal Place of Business; Other Places of Business.** The principal place of business of the Company shall be located at such place within or outside the State of Delaware as the Management Committee may from time to time designate. The Company may maintain offices and places of business at such places within or outside the State of Delaware as the Management Committee deems advisable.

1.4 **Business Purpose.** The Company shall engage in the activities and shall further the objectives set forth in the Agreement Regarding Reservation Systems and, in

connection therewith, may engage in any and all lawful business, purpose or activity in which a limited liability company may be engaged under applicable law (including, without limitation, the Act).

**1.5 Certificate of Formation; Filings.** The Management Committee shall cause to be executed and filed a Certificate of Formation (the "**Certificate**") in the Office of the Delaware Secretary of State as required by the Act. The Management Committee may execute and file any duly authorized amendments to the Certificate from time to time in a form prescribed by the Act. The Management Committee shall also cause to be made, on behalf of the Company, such additional filings and recordings as the Management Committee shall deem necessary or advisable.

**1.6 Fictitious Business Name Statements.** Following the execution of this Agreement, fictitious business name statements shall be filed and published when and if the Management Committee determines it necessary. Any such statement shall be renewed as required by applicable law.

**1.7 Designated Agent for Service of Process.** The Company shall continuously maintain a registered office and a designated and duly qualified agent for service of process on the Company in the State of Delaware.

**1.8 Term.** The Company shall commence on the date that the Certificate is filed with the Office of the Delaware Secretary of State, and shall continue until terminated pursuant to this Agreement.

## **ARTICLE 2** **DEFINITIONS**

Capitalized words and phrases used and not otherwise defined elsewhere in this Agreement shall have the following meanings:

**2.1 "Act"** is defined in the Preamble.

**2.2 "Adjusted Capital Account Deficit"** means, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant fiscal year, after giving effect to the following adjustments:

**2.2.1** Add to such Capital Account the following items:

(a) The amount, if any, that such Member is obligated to contribute to the Company upon liquidation of such Member's Interest; and

(b) The amount that such Member is obligated to restore or is deemed to be obligated to restore pursuant to Regulations Section 1.704-1(b)(2)(ii)(c) or the penultimate sentence of each of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

2.2.2 Subtract from such Capital Account such Member's share of the items described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

2.3 **"Affiliate"** means, with reference to a specified Person: a Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the specified Person.

2.4 **"Agreement"** is defined in the Preamble.

2.4.1 **"Agreement Regarding Reservation Systems"** means that certain Agreement Regarding Reservation Services and Systems by and between HHC, HI and Hilton Service Corporation dated January 1, 1997.

2.5 **"Assignee"** means any Person (a) to whom a Member (or assignee thereof) Transfers all or any part of its interest in the Company, and (b) which has not been admitted to the Company as a Substitute Member pursuant to Paragraph 7.6 of this Agreement.

2.6 **"Capital Account"** means the Capital Account maintained for each Member on the Company's books and records in accordance with the following provisions:

2.6.1 To each Member's Capital Account there shall be added (a) such Member's Capital Contributions, (b) such Member's allocable share of Net Profits and any items in the nature of income or gain that are specially allocated to such Member pursuant to Article 5 hereof or other provisions of this Agreement,

and (c) the amount of any Company liabilities assumed by such Member or which are secured by any property distributed to such Member.

2.6.2 From each Member's Capital Account there shall be subtracted (a) the amount of (i) cash and (ii) the Gross Asset Value of any Company Assets (other than cash) distributed to such Member (other than any payment of principal and/or interest to such Member pursuant to the terms of a loan made by the Member to the Company) pursuant to any provision of this Agreement, (b) such Member's allocable share of Net Losses and any other items in the nature of expenses or losses that are specially allocated to such Member pursuant to Article 5 or other provisions of this Agreement, and (c) liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.

2.6.3 In the event any interest in the Company is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

2.6.4 In determining the amount of any liability for purposes of Paragraphs 2.6.1 and 2.6.2 hereof, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

2.6.5 The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Sections 1.704-1(b) and 1.704-2 and shall be interpreted and applied in a manner consistent with such Regulations. In the event that the Management Committee shall determine that it is prudent to modify the manner in which the Capital Accounts, or any additions or subtractions thereto, are computed in order to comply with such Regulations, the Management Committee may make such modification. The Management Committee shall also make (a) any adjustments that are necessary or appropriate to maintain equality between the Capital Accounts of the Members and the amount of Company capital reflected on the Company's balance sheet, as computed for book purposes, in accordance with Regulations Section 1.704-1(b)(2)(iv)(q), and (b) any appropriate modifications in the event that unanticipated events might otherwise cause this Agreement not to comply with Regulations Sections 1.704-1(b) and 1.704-2.

2.7 **"Capital Contributions"** means, with respect to any Member, the total amount of money and the initial Gross Asset Value of property (other than money)



contributed to the capital of the Company by such Member, whether as an initial Capital Contribution or as an additional Capital Contribution.

2.8 **"Cash Available for Distribution"** means, with respect to any fiscal year, all Company cash receipts, after deducting payments for Operating Cash Expenses, payments required to be made in connection with any loan to the Company or any other loan secured by a lien on any Company Assets, capital expenditures and any other amounts set aside for the restoration, increase or creation of reasonable Reserves.

2.9 **"Certificate"** means the Certificate of Formation of the Company filed under the Act in the Office of the Delaware Secretary of State for the purpose of forming the Company as a Delaware limited liability company, and any duly authorized, executed and filed amendments or restatements thereof.

2.10 **"Code"** means the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

2.11 **"Company"** is defined in the Preamble.

2.12 **"Company Minimum Gain"** has the meaning set forth in Regulations Sections 1.704-2(b)(2) and 1.704-2(d)(1) for the phrase "partnership minimum gain."

2.13 **"Company Assets"** means all direct and indirect interests in real and personal property owned by the Company from time to time, and shall include both tangible and intangible property (including cash).

2.14 **"Controlled Affiliate"** means, with respect to any Member, an entity which is owned and controlled (either directly or indirectly through subsidiaries) entirely by such Member.

2.15 **"Depreciation"** means, for each fiscal year or other period, an amount equal to the federal income tax depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such year or other period, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such year or other period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis; *provided, however*, that if the federal income tax depreciation, amortization or other cost recovery deduction for such year or other

period is zero. Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Management Committee.

2.16 **"Economic Interest"** means a Person's right to share in the Net Profits, Net Losses, or similar items of, and to receive distributions from, the Company, but does not include any other rights of a Member including, without limitation, the right to vote or to participate in the management of the Company, or, except as specifically provided in this Agreement or required under the Act, any right to information concerning the business and affairs of the Company.

2.17 **"Gross Asset Value"** means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

2.17.1 The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by the Management Committee and the contributing Member.

2.17.2 The Gross Asset Values of all Company Assets immediately prior to the occurrence of any event described in subsection (a), subsection (b), subsection (c) or subsection (d) hereof shall be adjusted to equal their respective gross fair market values, as determined by the Management Committee using such reasonable method of valuation as it may adopt, as of the following times:

(a) the acquisition of an additional interest in the Company (other than in connection with the execution of this Agreement) by a new or existing Member in exchange for more than a *de minimis* Capital Contribution, if the Management Committee reasonably determines that such adjustment is necessary or appropriate to reflect the relative Economic Interests of the Members in the Company;

(b) the distribution by the Company to a Member of more than a *de minimis* amount of Company Assets as consideration for an interest in the Company, if the Management Committee reasonably determines that such adjustment is necessary or appropriate to reflect the relative Economic Interests of the Members in the Company;

(c) the liquidation of the Company within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g); and

(d) at such other times as the Management Committee shall reasonably determine necessary or advisable in order to comply with Regulations Sections 1.704-1(b) and 1.704-2.

2.17.3 The Gross Asset Value of any Company asset distributed to a Member shall be the gross fair market value of such asset on the date of distribution as determined by the Management Committee.

2.17.4 The Gross Asset Values of Company Assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m); *provided, however*, that Gross Asset Values shall not be adjusted pursuant to this Paragraph 2.17.4 to the extent that the Management Committee reasonably determines that an adjustment pursuant to Paragraph 2.17.2 above is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this Paragraph 2.17.4.

2.17.5 If the Gross Asset Value of a Company asset has been determined or adjusted pursuant to Paragraph 2.17.1, Paragraph 2.17.2 or Paragraph 2.17.4 hereof, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such Company Asset for purposes of computing Net Profits and Net Losses.

2.18 "**HHC**" is defined in the Preamble.

2.19 "**HHC Representatives**" is defined in Paragraph 6.2.1.

2.20 "**HI**" is defined in the Preamble.

2.21 "**HI Representatives**" is defined in Paragraph 6.2.1.

2.23 "**Indemnatee**" is defined in Paragraph 6.5.1.

2.24 "**Management Committee**" is defined in Paragraph 6.2.1.

2.25 "**Member Minimum Gain**" means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if

such Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Regulations Section 1.704-2(i) with respect to "partner minimum gain."

2.26 "**Member Nonrecourse Debt**" has the meaning set forth in Regulations Section 1.704-2(b)(4) for the phrase "partner nonrecourse debt."

2.27 "**Member Nonrecourse Deductions**" has the meaning set forth in Regulations Section 1.704-2(i) for the phrase "partner nonrecourse deductions."

2.28 "**Members**" means the Persons owning Membership Interests, including any Substitute Members, with each Member being referred to, individually, as a "**Member**."

2.29 "**Membership Interest**" or "**Interest**" means the entire ownership interest of a Member in the Company at any particular time, including without limitation, the Member's Economic Interest, any and all rights to vote and otherwise participate in the Company's affairs, and the rights to any and all benefits to which a Member may be entitled as provided in this Agreement, together with the obligations of such Member to comply with all of the terms and provisions of this Agreement.

2.30 "**Net Profits**" or "**Net Losses**" means, for each fiscal year or other period, an amount equal to the Company's taxable income or loss for such year or period determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

2.30.1 Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Net Profits or Net Losses pursuant to this Paragraph 2.30 shall be added to such taxable income or loss;

2.30.2 Any expenditure of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Net Profits or Net Losses pursuant to this Paragraph 2.30, shall be subtracted from such taxable income or loss;

2.30.3 Gain or loss resulting from any disposition of Company Assets where such gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the Company Assets disposed of,

notwithstanding that the adjusted tax basis of such Company Assets differs from its Gross Asset Value;

2.30.4 In lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such fiscal year;

2.30.5 To the extent an adjustment to the adjusted tax basis of any asset included in Company Assets pursuant to Code Section 734(b) or Code Section 743(b) is required pursuant to Regulations Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member's Interest, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for the purposes of computing Net Profits and Net Losses;

2.30.6 If the Gross Asset Value of any Company Asset is adjusted in accordance with Paragraph 2.17.2 or Paragraph 2.17.3 of this Agreement, the amount of such adjustment shall be taken into account in the taxable year of such adjustment as gain or loss from the disposition of such asset for purposes of computing Net Profits or Net Losses; and

2.30.7 Notwithstanding any other provision of this Paragraph 2.30, any items that are specially allocated pursuant to Article 5 hereof shall not be taken into account in computing Net Profits or Net Losses. The amounts of the items of Company income, gain, loss, or deduction available to be specially allocated pursuant to Article 5 hereof shall be determined by applying rules analogous to those set forth in this definition of Net Profits or Net Loss.

2.31 **"Nonrecourse Deductions"** has the meaning set forth in Regulations Sections 1.704-2(b)(1) and 1.704-2(c).

2.32 **"Nonrecourse Liability"** has the meaning set forth in Regulations Sections 1.704-2(b)(3) and 1.752-1(a)(2).

2.33 **"Operating Cash Expenses"** means, with respect to any fiscal period, the amount of cash disbursed in the ordinary course of business during the period, including without limitation, all cash expenses, such as advertising, promotion, insurance premiums, taxes, utilities, repair, maintenance, legal, accounting, bookkeeping,

computing, equipment use, travel on Company business, telephone expenses and salaries, direct expenses of Company employees (if any) and agents while engaged in Company business, and any reimbursements owed to the Members for provision of such services, to the extent approved by the Management Committee.

2.34 **"Percentage Interest"** means, with respect to each Member, the percentage set forth opposite such Member's name on Exhibit "A", attached hereto as it may be modified or supplemented from time to time.

2.35 **"Person"** means and includes an individual, a corporation, a partnership, a limited liability company, a trust, an unincorporated organization, a government or any department or agency thereof, or any entity similar to any of the foregoing.

2.36 **"Recourse Liability"** has the meaning set forth in Regulations Section 1.752-1(a)(1).

2.37 **"Regulations"** means proposed, temporary and final Treasury Regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding Treasury Regulations).

2.38 **"Regulatory Allocations"** is defined in Paragraph 5.2.8.

2.39 **"Representatives"** is defined in Paragraph 6.2.1.

2.40 **"Required Notice"** is defined in Paragraph 3.2.2.

2.41 **"Reserves"** means funds set aside or amounts allocated to reserves that shall be maintained in amounts deemed sufficient by the Management Committee for working capital, to pay taxes, insurance, debt service, and other costs or expenses incident to the conduct of business by the Company as contemplated hereunder.

2.42 **"Responsible Party"** is defined in Paragraph 6.5.6.

2.43 **"Substitute Member"** means any Person (a) to whom a Member (or assignee thereof) Transfers all or any part of its interest in the Company, and (b) which has been admitted to the Company as a Substitute Member pursuant to Paragraph 7.6 of this Agreement.

2.44 **"Successor"** means, with respect to a Member, an entity succeeding to substantially all of the business and operations of such Member.

2.45 **"Termination Payment"** is defined in Paragraph 7.5.

2.46 **"Transfer"** means, with respect to any interest in the Company, a sale, conveyance, exchange, assignment, pledge, encumbrance, gift, bequest, hypothecation or other transfer or disposition by any other means, whether for value or no value and whether voluntary or involuntary (including, without limitation, by operation of law), or an agreement to do any of the foregoing.

### **ARTICLE 3**

#### **CAPITAL; CAPITAL ACCOUNTS AND MEMBERS**

3.1 **Initial Capital Contributions of Members.** The names of the Members are set forth on Exhibit "A" attached hereto and incorporated herein. Immediately after the execution of this Agreement, (a) HHC shall contribute to the Company as a Capital Contribution shares of common stock of Hilton Service Corp. ("HSC") representing 51% of the issued and outstanding shares of common stock of HSC, which the Members agree have a Gross Asset Value of \$2,040,000, and (b) HI shall contribute to the Company as a Capital Contribution shares of common stock of HSC representing 49% of the issued and outstanding shares of common stock of HSC, which the Members agree have a Gross Asset Value of \$1,960,000, and \$40,000 in cash. Immediately after HHC and HI make the Capital Contributions described in the foregoing sentence, the Company shall distribute to HHC \$40,000 in cash, and immediately after the Company makes such distribution to HHC, the Capital Account balances and Percentage Interests of the Members shall be as set forth on Exhibit "A" attached hereto.

#### **3.2 Additional Capital Contributions by Members.**

3.2.1 Except as provided in Paragraph 3.2.2, no Member shall be permitted or required to make any additional Capital Contributions to the Company.

3.2.2 If from time to time the Company requires additional capital, as determined by the Management Committee, then the Management Committee may provide written notice thereof to each Member (the **"Required Notice"**). Each Member shall thereafter be required to make additional Capital Contributions on a pro

rata basis in accordance with their respective Percentage Interests pursuant to such terms and conditions as are contained in the Required Notice.

**3.3 Capital Accounts.** A Capital Account shall be established and maintained for each Member in accordance with the terms of this Agreement.

**3.4 Member Capital.** Except as otherwise provided in this Agreement or with the prior written consent of the Management Committee: (a) no Member shall demand or be entitled to receive a return of or interest on its Capital Contributions or Capital Account, (b) no Member shall withdraw any portion of its Capital Contributions or receive any distributions from the Company as a return of capital on account of such Capital Contributions, and (c) the Company shall not redeem or repurchase the Interest of any Member.

**3.5 Member Loans.** No Member shall be required or permitted to make any loans or otherwise lend any funds to the Company, except (i) with the consent of the Management Committee and (ii) in accordance with the Agreement Regarding Reservation Systems. No loans or advances made by any Member to the Company shall have any effect on such Member's Percentage Interest, such loans or advances representing a debt of the Company payable or collectible solely from the assets of the Company in accordance with the terms and conditions upon which such loans or advances were made.

**3.6 Liability of Members.** Except as otherwise required by any non-waivable provision of the Act or other applicable law: (a) no Member shall be personally liable in any manner whatsoever for any debt, liability or other obligation of the Company, whether such debt, liability or other obligation arises in contract, tort, or otherwise; and (b) no Member shall in any event have any liability whatsoever in excess of (i) the amount of its Capital Contributions, (ii) its share of any assets and undistributed profits of the Company, (iii) the amount of any unconditional obligation of such Member to make additional Capital Contributions to the Company pursuant to this Agreement, and (iv) the amount of any wrongful distribution to such Member, if, and only to the extent, such Member has actual knowledge (at the time of the distribution) that such distribution is made in violation of Section 18-607 of the Act.



## **ARTICLE 4**

### **DISTRIBUTIONS**

#### **4.1 Distributions of Cash Available for Distribution.**

4.1.1 Except as otherwise provided in Article 8, Cash Available for Distribution shall be distributed to the Members only at such times as may be determined in the sole discretion of the Management Committee.

4.1.2 Subject to Article 8 hereof, all distributions of Cash Available for Distribution shall be distributed to the Members pro rata in accordance with their respective Percentage Interests.

4.1.3 Notwithstanding anything contained in this Paragraph 4.1, a distribution may be made to HHC as contemplated by Paragraph 3.1.

**4.2 Distributions Upon Liquidation.** Distributions made in conjunction with the final liquidation of the Company shall be applied or distributed as provided in Article 8 hereof.

**4.3 Withholding.** The Company may withhold distributions or portions thereof if it is required to do so by any applicable rule, regulation, or law, and each Member hereby authorizes the Company to withhold from or pay on behalf of or with respect to such Member any amount of federal, state, local or foreign taxes that the Management Committee determines that the Company is required to withhold or pay with respect to any amount distributable or allocable to such Member pursuant to this Agreement. Any amount paid on behalf of or with respect to a Member pursuant to this Paragraph 4.3 shall constitute a loan by the Company to such Member, which loan shall be repaid by such Member within fifteen (15) days after notice from the Company that such payment must be made unless: (i) the Company withholds such payment from a distribution which would otherwise be made to the Member or (ii) the Management Committee determines, in its sole and absolute discretion, that such payment may be satisfied out of Cash Available For Distribution which would, but for such payment, be distributed to the Member. Any amounts withheld pursuant to this Paragraph 4.3 shall be treated as having been distributed to such Member. Each Member hereby unconditionally and irrevocably grants to the Company a security interest in such Member's Interest in the Company to secure such Member's obligation to pay to the Company any amounts required to be paid pursuant to this Paragraph 4.3. In the event that a Member fails to pay any amounts owed to the Company pursuant to this Paragraph 4.3 when due, the

remaining Members may, in their respective sole and absolute discretion, elect to make the payment to the Company on behalf of such defaulting Member, and in such event shall be deemed to have loaned such amount to such defaulting Member and shall succeed to all rights and remedies of the Company as against such defaulting Member (including, without limitation, the right to receive distributions). Any amounts payable by a Member hereunder shall bear interest at 10% from the date such amount is due (*i.e.*, 15 days after demand) until such amount is paid in full. Each Member shall take such actions as the Company shall request in order to perfect or enforce the security interest created hereunder. A Member's obligations hereunder shall survive the dissolution, liquidation, or winding up of the Company. Each Member hereby submits to the jurisdiction of any state or federal court sitting in the state of Delaware in any action arising out of or relating to this Agreement or the transactions contemplated herein.

**4.4 Distributions in Kind.** No right is given to any Member to demand or receive property other than cash as provided in this Agreement. The Management Committee may determine, in its sole and absolute discretion, to make a distribution in kind of Company Assets to the Members, and such Company Assets shall be distributed in such a fashion as to ensure that the fair market value thereof is distributed and allocated in accordance with this Article 4 and Articles 5 and 8 hereof; *provided, however*, that no Member may be compelled to accept a distribution consisting, in whole or in part, of any Company Assets in kind unless the ratio that the fair market value of such distribution in kind bears to such Member's total distribution does not exceed the ratio that the fair market value of similar distributions in kind bear to the total distributions of other Members receiving distributions concurrently therewith (if any), except upon a dissolution and winding up of the Company.

**4.5 Limitations on Distributions.** Notwithstanding any provision to the contrary contained in this Agreement, neither the Company nor the Management Committee, on behalf of the Company, shall knowingly make a distribution to any Member or the holder of any Economic Interest on account of its Membership Interest or Economic Interest in the Company (as applicable) in violation of Section 18-607 of the Act.

**ARTICLE 5**  
**ALLOCATIONS OF NET PROFITS AND NET LOSSES**

**5.1 General Allocation of Net Profits and Losses.**

5.1.1 Net Profits and Net Losses shall be determined and allocated with respect to each fiscal year of the Company as of the end of such fiscal year. Subject to the other provisions of this Agreement, an allocation to a Member of a share of Net Profits or Net Losses shall be treated as an allocation of the same share of each item of income, gain, loss or deduction that is taken into account in computing Net Profits or Net Losses.

5.1.2 Subject to the other provisions of this Article 5, Net Profits, Net Losses and any other items of income, gain, loss and deduction for any fiscal year shall be allocated, for purposes of adjusting the Capital Accounts of the Members, in proportion to the Members' respective Percentage Interests.

**5.2 Regulatory Allocations.** Notwithstanding the foregoing provisions of this Article 5, the following special allocations shall be made in the following order of priority:

5.2.1 If there is a net decrease in Company Minimum Gain during a Company taxable year, then each Member shall be allocated items of Company income and gain for such taxable year (and, if necessary, for subsequent years) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Regulations Section 1.704-2(g)(2). This Paragraph 5.2.1 is intended to comply with the minimum gain chargeback requirement of Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

5.2.2 If there is a net decrease in Member Minimum Gain attributable to a Member Nonrecourse Debt during any Company taxable year, each Member who has a share of the Member Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i)(5), shall be specially allocated items of Company income and gain for such taxable year (and, if necessary, subsequent years) in an amount equal to such Member's share of the net decrease in Member Minimum Gain attributable to such Member Nonrecourse Debt, determined in a manner consistent with the provisions of Regulations Section 1.704-2(g)(2). This Paragraph 5.2.2 is intended to comply

with the partner nonrecourse debt minimum gain chargeback requirement of Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

5.2.3 If any Member unexpectedly receives an adjustment, allocation, or distribution of the type contemplated by Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of income and gain shall be allocated to all such Members (in proportion to the amounts of their respective Adjusted Capital Account Deficits) in an amount and manner sufficient to eliminate the Adjusted Capital Account Deficit of such Member as quickly as possible. It is intended that this Paragraph 5.2.3 qualify and be construed as a "qualified income offset" within the meaning of Regulations Section 1.704-1(b)(2)(ii)(d).

5.2.4 If the allocation of Net Loss to a Member as provided in Paragraph 5.1 hereof would create or increase an Adjusted Capital Account Deficit, there shall be allocated to such Member only that amount of Net Loss as will not create or increase an Adjusted Capital Account Deficit. The Net Loss that would, absent the application of the preceding sentence, otherwise be allocated to such Member shall be allocated to the other Members in accordance with their relative Percentage Interests, subject to the limitations of this Paragraph 5.2.4.

5.2.5 To the extent that an adjustment to the adjusted tax basis of any Company Asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m)(2) or Regulations Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of its Interest in the Company, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis), and such gain or loss shall be specially allocated to the Members in accordance with their interests in the Company in the event that Regulations Section 1.704-1(b)(2)(iv)(m)(2) applies, or to the Members to whom such distribution was made in the event that Regulations Section 1.704-1(b)(2)(iv)(m)(4) applies.

5.2.6 The Nonrecourse Deductions for each taxable year of the Company shall be allocated to the Members in proportion to their Percentage Interests.

5.2.7 The Member Nonrecourse Deductions shall be allocated each year to the Member that bears the economic risk of loss (within the meaning of Regulations Section 1.752-2) for the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable.

5.2.8 The allocations set forth in Paragraphs 5.2.1, 5.2.2, 5.2.3, 5.2.4, 5.2.5, 5.2.6 and 5.2.7 hereof (the "**Regulatory Allocations**") are intended to comply with certain requirements of Regulations Sections 1.704-1(b) and 1.704-2(i). Notwithstanding the provisions of Paragraph 5.1.2, the Regulatory Allocations shall be taken into account in allocating other items of income, gain, loss and deduction among the Members so that, to the extent possible, the net amount of such allocations of other items and the Regulatory Allocations to each Member shall be equal to the net amount that would have been allocated to each such Member if the Regulatory Allocations had not occurred.

### 5.3 Tax Allocations.

5.3.1 Except as provided in Paragraph 5.3.2 hereof, for income tax purposes under the Code and the Regulations each Company item of income, gain, loss and deduction shall be allocated between the Members as its correlative item of "book" income, gain, loss or deduction is allocated pursuant to this Article 5.

5.3.2 Tax items with respect to Company Assets that are contributed to the Company with a Gross Asset Value that varies from its basis in the hands of the contributing Member immediately preceding the date of contribution shall be allocated between the Members for income tax purposes pursuant to Regulations promulgated under Code Section 704(c) so as to take into account such variation. The Company shall account for such variation under any method approved under Code Section 704(c) and the applicable Regulations as chosen by the Management Committee. If the Gross Asset Value of any Company Asset is adjusted pursuant to Paragraph 2.17, subsequent allocations of income, gain, loss and deduction with respect to such Company Asset shall take account of any variation between the adjusted basis of such Company Asset for federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Regulations promulgated thereunder under any method approved under Code Section 704(c) and the applicable Regulations as chosen by the Management Committee. Allocations pursuant to this Paragraph 5.3.2 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share

of Net Profits, Net Losses and any other items or distributions pursuant to any provision of this Agreement.

#### 5.4 Other Provisions.

5.4.1 For any fiscal year during which any part of a Membership Interest or Economic Interest is transferred between the Members or to another Person, the portion of the Net Profits, Net Losses and other items of income, gain, loss, deduction and credit that are allocable with respect to such part of a Membership Interest or Economic Interest shall be apportioned between the transferor and the transferee under any method allowed pursuant to Section 706 of the Code and the applicable Regulations as determined by the Management Committee.

5.4.2 In the event that the Code or any Regulations require allocations of items of income, gain, loss, deduction or credit different from those set forth in this Article 5, the Management Committee is hereby authorized to make new allocations in reliance on the Code and such Regulations, and no such new allocation shall give rise to any claim or cause of action by any Member.

5.4.3 For purposes of determining a Member's proportional share of the Company's "excess nonrecourse liabilities" within the meaning of Regulations Section 1.752-3(a)(3), each Member's interest in Net Profits shall be such Member's Percentage Interest.

5.4.4 The Members acknowledge and are aware of the income tax consequences of the allocations made by this Article 5 and hereby agree to be bound by the provisions of this Article 5 in reporting their shares of Net Profits, Net Losses and other items of income, gain, loss, deduction and credit for federal, state and local income tax purposes.

### **ARTICLE 6** **OPERATIONS**

6.1 **Management.** The business and affairs of the Company shall be managed by a management committee (the "**Management Committee**") which shall consist of such number of persons, and such appointees, as provided in Paragraph 6.2.1 below. The Management Committee may exercise all such powers of the Company and do all such lawful acts and things as are not by statute, by the Certificate, by this

Agreement or by the provisions of the Agreement Regarding Reservation Systems directed or required to be exercised or done by the Members.

## 6.2 Management Committee.

6.2.1 The Management Committee shall consist of eight (8) persons. HHC shall have the right to appoint four members of the Management Committee (the "**HHC Representatives**"), and HI shall have the right to appoint four members of the Management Committee (the "**HI Representatives**," and together with the HHC Representatives, the "**Representatives**"). The Management Committee shall initially consist of (i) David Jarvis, David Scowsill, Brian Wallace and John Wilson, each of whom shall be an HI Representative and (ii) Bob Dirks, Joe Duroches, Dieter Huckestein and Bob LaForgia, each of whom shall be an HHC Representative. By written notice to the other Member, each Member may designate one or more alternate Representatives who shall have authority to act in the absence of its Representatives. Any Member may at any time, by prior notice to the other Member, remove one or more of its Representatives or alternate Representatives on the Management Committee and designate a new Representative or alternate Representative. Each Representative shall serve on the Management Committee until his successor shall be duly designated or until his death, resignation or removal by the Member that appointed him. Any action taken by the Company in compliance with the direction of the Management Committee pursuant to its authority hereunder shall be binding on the Company and each Member, whether such direction was approved by the Representatives in accordance with the provisions hereof or by one or more of the alternate Representatives, and the participation and acts (including the execution of any documents) by any alternate Representative of a Member shall be deemed to be the act of the Representative for whom such alternate Representative is acting without any evidence of the absence or unavailability of such Representative.

6.2.2 The presence of one Representative of each Member shall be required to constitute a quorum of the Management Committee for the conduct of business. At each meeting of the Management Committee, the Representatives of a Member (whether or not all are present) acting together as a group shall be entitled to cast one vote on any matter. The unanimous approval of the Management Committee shall be required for the Management Committee to take any action. Where the Management Committee is unable to decide upon the course of action because of a deadlock between the HHC Representatives and the HI Representatives, no action shall be taken. The Management Committee may take action by unanimous written consent in lieu of a meeting.

6.2.3 The Management Committee shall meet quarterly, subject to more or less frequent meetings upon approval of the Management Committee. The meetings shall be presided over by a Chairman. HHC will select the Chairman for the first year, HI will select the Chairman for the second year, and the Chairmanship shall alternate accordingly. Notice of and an agenda for all Management Committee meetings shall be provided by the Chairman (after consultation with the Representatives) to all Representatives at least ten (10) days prior to the date of such meetings. Special meetings of the Management Committee may be called at such times and places and in such manner as any Representative deems necessary. Any Representative calling for any such special meeting shall notify all Representatives of the date and agenda for such meeting at least ten (10) days prior to the date of such meeting. Such ten day period may be shortened by the agreement of the Management Committee. Written minutes of all meetings shall be approved at the next meeting of the Management Committee.

6.2.4 The Management Committee may adopt whatever rules and procedures relating to its activities as it may deem appropriate, provided that such rules and procedures shall not be inconsistent with or violate the provisions of this Agreement.

6.2.5 The Management Committee or its designee shall also have the exclusive right, power and authority, in the management of the business and affairs of the Company, to do or cause to be done any and all acts, at the expense of the Company, deemed by the Management Committee to be necessary or appropriate to effectuate the business of the Company. Without limiting the generality of the foregoing, the Management Committee shall have full and complete power and authority:

- (a) to conduct any business, and exercise any rights and powers, permitted of a limited liability company organized under the laws of the state of Delaware, in any state, territory, district or foreign country as the Management Committee deems necessary or advisable;
- (b) to acquire by purchase, lease, contribution or otherwise, and/or to otherwise own, hold, operate, maintain, finance, improve, lease, sell, convey, mortgage, transfer or dispose of any property or other assets (real or personal, tangible or intangible) that the Management Committee deems necessary or advisable;



- (c) to negotiate, enter into, perform, modify, extend, terminate, amend, waive, renegotiate and/or carry out any contracts and agreements of any kind and nature, including, without limitation, contracts and agreements with any Member or Affiliate thereof, or any other agent of the Company, as the Management Committee deems necessary or advisable;
- (d) to lend money, to invest and reinvest its funds, and to take and hold real and/or personal property for the payment of funds so loaned or invested;
- (e) to sue and be sued, complain and defend, and participate in administrative, judicial and other proceedings, in the name of, and behalf of, the Company;
- (f) to pay, collect, compromise, arbitrate or otherwise adjust or settle any and all claims or demands of or against the Company, in such amounts and upon such terms and conditions as the Management Committee shall determine;
- (g) to, from time to time, employ, engage, hire or otherwise secure the services of, such Persons, including any Member or Assignee, or any Persons related thereto or Affiliates thereof, as the Management Committee may deem necessary or advisable for the proper execution of its duties as Management Committee hereunder;
- (h) to, from time to time, appoint such officers and agents of the Company, as the Management Committee deems necessary or advisable, and define and modify, from time to time, such officers' and agents' duties; provided, however, that the Company shall at all times have at least one officer, employee or representative designated as its Chief Operating Officer to oversee the operation of the Company, subject in turn to the oversight of the Management Committee. Officers and/or employees of the Company may be selected from the existing employees of the Members or HSC and may be seconded to the Company on a temporary basis by the Members. The Management Committee shall set the compensation and benefits to be received by the Company's Chief Operating Officer and by any other officers, representatives and employees of the Company, and shall provide appropriate stock option and other benefit plans of the Company or the Members to such personnel, including permitting employees of

HSC or the Members who become employees of the Company to retain their participation in stock options and other benefit plans of HSC or the Members, as applicable:

- (i) to cause the Company to indemnify any Person in accordance with, and to the fullest extent permitted by, applicable law, and to obtain, for or on behalf of the Company, any and all types of insurance deemed necessary or advisable by the Management Committee;
- (j) to borrow money and issue evidences of indebtedness necessary, convenient or incidental to the business of the Company, and secure the same by mortgage, pledge or other lien on any Company Assets or other assets of the Company;
- (k) to prepare, execute, file, record, publish and deliver any and all instruments, documents or statements necessary or convenient to effectuate any and all actions that the Management Committee is authorized to take on behalf of the Company;
- (l) to merge the Company with, or consolidate the Company with or into, any other corporation, partnership, limited liability company or other Person (whether domestic or foreign);
- (m) to deal with, or otherwise engage in business with, or provide services to and receive compensation therefor from, any Person who has provided or may in the future provide services to, lend money to, sell property to, or purchase property from the Company, the Members or any Affiliate of the Members; and
- (n) to establish and maintain Reserves for such purposes and in such amounts as the Management Committee deems appropriate from time to time.

In addition, any powers delegated to an officer, employee or representative of the Company shall be approved by the Management Committee.

### 6.3 Records and Reports.

6.3.1 The Management Committee shall cause to be kept, at the principal place of business of the Company, or at such other location as the Management Committee shall reasonably deem appropriate, full and proper ledgers, other books of account, and records of all receipts and disbursements, other financial activities, and the internal affairs of the Company for at least the current and past four fiscal years.

6.3.2 The Management Committee shall also cause to be sent to each Member of the Company, the following:

(a) within ninety (90) days following the end of each fiscal year of the Company, a report that shall include all necessary information required by the Members for preparation of its federal, state and local income or franchise tax or information returns, including each Member's *pro rata* share of Net Profits, Net Losses and any other items of income, gain, loss and deduction for such fiscal year; and

(b) a copy of the Company's federal, state and local income tax or information returns for each fiscal year, concurrent with the filing of such returns.

6.3.3 Members (personally or through an authorized representative) may, for purposes reasonably related to their Interests, examine and copy (at their own cost and expense) the books and records of the Company at all reasonable business hours.

6.4 **Other Activities.** Subject to the terms and provisions of the Agreement Regarding Reservation Systems, the Members (including their affiliates) may engage or invest in, and devote their time to, any other business venture or activity of any nature and description (independently or with others), whether or not such other activity may be deemed or construed to be in competition with the Company. Neither the Company nor any other Member shall have any right by virtue of this Agreement or the relationship created hereby in or to such other venture or activity of any Member (or to the income or proceeds derived therefrom), and subject to the terms and provisions of the Agreement Regarding Reservation Systems, the pursuit thereof, even if competitive with the business of the Company, shall not be deemed wrongful or improper.

## 6.5 Indemnification and Liability of the Management Committee.

6.5.1 The Company shall indemnify and hold harmless the members of the Management Committee and all officers of the Company (individually, an "**Indemnitee**") to the full extent permitted by law from and against any and all losses, claims, demands, costs, damages, liabilities, joint and several, expenses of any nature (including attorneys' fees and disbursements), judgments, fines, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, in which the Indemnitee may be involved, or threatened to be involved as a party or otherwise, relating to the performance or nonperformance of any act concerning the activities of the Company, if (i) the Indemnitee acted in good faith and in a manner it believed to be in, or not contrary to, the best interests of the Company, and (ii) the Indemnitee's conduct did not constitute gross negligence or willful misconduct. The termination of an action, suit or proceeding by judgment, order, settlement, or upon a plea of nolo contendere or its equivalent, shall not, in and of itself, create a presumption or otherwise constitute evidence that the Indemnitee acted in a manner contrary to that specified in clauses (i) or (ii) above.

6.5.2 Expenses incurred by an Indemnitee in defending any claim, demand, action, suit or proceeding subject to this Paragraph 6.5 shall be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of a written commitment by or on behalf of the Indemnitee to repay such amount if it shall be determined that such Indemnitee is not entitled to be indemnified as authorized in the Paragraph 6.5.

6.5.3 Any indemnification provided hereunder shall be satisfied solely out of the assets of the Company, as an expense of the Company. No Member shall be subject to personal liability by reason of these indemnification provisions.

6.5.4 The provisions of this Paragraph 6.5 are for the benefit of the Indemnitees and shall not be deemed to create any rights for the benefit of any other Person.

6.5.5 Neither the Management Committee nor the officers of the Company shall be liable to the Company or to a Member for any losses sustained or liabilities incurred as a result of any act or omission of the Management Committee or any such other Person if (i) the act or failure to act of the Management Committee or such other Person was in good faith and in a manner it believed to be in, or not contrary to, the

best interests of the Company, and (ii) the conduct of the Management Committee or such other Person did not constitute gross negligence or willful misconduct.

6.5.6 To the extent that the members of the Management Committee or any officer of the Company (each, a "**Responsible Party**") has, at law or in equity, duties (including, without limitation, fiduciary duties) to the Company, any Member or other Person bound by the terms of this Agreement, such Responsible Parties acting in accordance with this Agreement shall not be liable to the Company, any Member, or any such other Person for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict the duties of a Responsible Party, otherwise existing at law or in equity, are agreed by all parties hereto to replace such other duties to the greatest extent permitted under applicable law.

6.5.7 Whenever a Responsible Party is required or permitted to make a decision, take or approve an action, or omit to do any of the foregoing: (a) in its discretion, under a similar grant of authority or latitude, or without an express standard of behavior (including, without limitation, standards such as "reasonable" or "good faith"), then such Responsible Party shall be entitled to consider only such interests and factors, including its own, as it desires, and shall have no duty or obligation to consider any other interests or factors whatsoever, or (b) with an express standard of behavior (including, without limitation, standards such as "reasonable" or "good faith"), then such Responsible Party shall comply with such express standard but shall not be subject to any other different or additional standard imposed by this Agreement or otherwise applicable law.

## **ARTICLE 7**

### **INTERESTS AND TRANSFERS OF INTERESTS**

7.1 **Transfers.** No Member or Assignee may Transfer all or any portion of its Membership or Economic Interest (or beneficial interest therein), other than to a wholly-owned subsidiary of such Member, if such subsidiary agrees that, if at any time it ceases to be a wholly-owned subsidiary of such Member, it will Transfer to such Member any Membership or Economic Interest (or beneficial interest therein) then held by such subsidiary, or to a Successor, without the prior unanimous written consent of the Members, which consent may be given or withheld in the Members' sole and absolute discretion; provided, that neither any wholly-owned subsidiary of a Member nor any Successor shall become a Substitute Member other than in accordance with Paragraph 7.6 hereof. Any purported Transfer which is not in accordance with this Agreement shall be null and void.

**7.2 Further Restrictions.** Notwithstanding any contrary provision in this Agreement, any otherwise permitted Transfer shall be null and void if:

(a) such Transfer would cause a termination of the Company for federal or state, if applicable, income tax purposes;

(b) such Transfer would, in the opinion of counsel to the Company, cause the Company to cease to be classified as a partnership for federal or state income tax purposes;

(c) such Transfer requires the registration of such Transferred Interest pursuant to any applicable federal or state securities laws;

(d) such Transfer causes the Company to become a "Publicly Traded Partnership," as such term is defined in Sections 469(k)(2) or 7704(b) of the Code;

(e) such Transfer subjects the Company to regulation under the Investment Company Act of 1940, the Investment Advisers Act of 1940 or the Employee Retirement Income Security Act of 1974, each as amended;

(f) such Transfer results in a violation of applicable laws;

(g) such Transfer causes the revaluation or reassessment of the value of any Company Asset resulting in any federal, state or local tax liability;

(h) such Transfer is made to any Person who lacks the legal right, power or capacity to own such Interest; or

(i) the Company does not receive written instruments (including, without limitation, copies of any instruments of Transfer and such Assignee's consent to be bound by this Agreement as an Assignee) that are in a form satisfactory to the Management Committee.

**7.3 Rights of Assignees.** Until such time, if any, as a transferee of any permitted Transfer pursuant to this Article 7 is admitted to the Company as a Substitute Member pursuant to Paragraph 7.6: (i) such transferee shall be an Assignee only, and only shall receive, to the extent Transferred, the distributions and allocations of income, gain, loss, deduction, credit, or similar item to which the Member which Transferred its Interest would be entitled, and (ii) such Assignee shall not be entitled or enabled to exercise any

other rights or powers of a Member, such other rights remaining with the transferring Member. In such a case, the transferring Member shall remain a Member even if he has transferred his entire Economic Interest in the Company to one or more Assignees. In the event any Assignee desires to make a further assignment of any Economic Interest in the Company, such Assignee shall be subject to all of the provisions of this Agreement to the same extent and in the same manner as any Member desiring to make such an assignment.

**7.4 Resignations; Other Voluntary Actions.** Each Member agrees that it shall not resign as a Member from the Company during the term thereof, except pursuant to a Transfer of its entire Percentage Interest pursuant to Paragraph 7.1 hereof. Each Member agrees that, prior to any voluntary liquidation or dissolution of a Member, or the filing of any voluntary petition of bankruptcy by a Member, such Member shall give ten (10) days notice thereof to the other Members and work together with the other Members to ensure the continuity of the business of the Company. The Members agree that, notwithstanding the occurrence of any of the events specified in Section 18-304 of the Act, a Member shall continue as a Member of the Company, except to the extent specifically set forth to the contrary in this Agreement.

**7.5 Payment Upon Withdrawal or Removal of Member.** If any Member withdraws from the Company with the consent of the remaining Members without transferring its interests, then such Member shall receive from the Company a payment equal to the Member's Capital Account balance as adjusted as of the effective date of the written election of withdrawal (the "**Termination Payment**"). The Termination Payment shall be paid on the effective date of the removal or written election of withdrawal. Notwithstanding the foregoing, the Company shall have the right to withhold from, and set off against, the Termination Payment of any removed Member such damages as the Management Committee (or, if the Management Committee is the Member subject to removal, the remaining Members) may reasonably determine was suffered by the Company and/or its Members in connection with the matter(s) or event(s) resulting in such removal. If any Member attempts to withdraw from the Company (other than pursuant to Paragraph 7.7) without the consent of the remaining Members, then, notwithstanding the last sentence of Paragraph 7.4, the Management Committee may permit such withdrawal (without waiving, in any manner, any other rights available to it or the Company at law or in equity and in addition to, and not in lieu of, any other remedies to which it or the Company may be entitled), *provided that* such withdrawing Member shall not be entitled to any Termination Payment or any other compensation whatsoever in consideration for its terminated Membership Interest.

## **7.6 Admission of Assignees as Substitute Members.**

7.6.1 Notwithstanding anything to the contrary contained in this Agreement, an Assignee shall become a Substitute Member only if and when each of the following conditions are satisfied:

(a) the assignor of the Interest transferred sends written notice to the Management Committee requesting the admission of the Assignee as a Substitute Member and setting forth the name and address of the Assignee, the Percentage Interest transferred, and the effective date of the Transfer;

(b) the Members unanimously consent in writing to such admission, which consent may be given or withheld in the sole and absolute discretion of any Member; and

(c) the Management Committee receives from the Assignee (i) such information concerning the Assignee's financial capacities and investment experience as may reasonably be requested by the Management Committee, and (ii) written instruments (including, without limitation, copies of any instruments of Transfer and such Assignee's consent to be bound by this Agreement as a Substitute Member) that are in a form satisfactory to the Management Committee (as determined in the Management Committee's sole and absolute discretion).

7.6.2 Upon the admission of any Substitute Member, Exhibit A shall be amended to reflect the name, address and Percentage Interest of such Substitute Member and to eliminate or adjust, if necessary, the name, address and Percentage Interest of the predecessor of such Substitute Member.

## **ARTICLE 8**

### **DISSOLUTION, LIQUIDATION, AND TERMINATION OF THE COMPANY**

8.1 **Limitations.** The Company may be dissolved, liquidated, and terminated only pursuant to the provisions of this Article 8, and the parties hereto do hereby irrevocably waive any and all other rights they may have to cause a dissolution of the Company or a sale or partition of any or all of the Company Assets.



**8.2 Exclusive Causes.** Notwithstanding the Act, the following and only the following events shall cause the Company to be dissolved, liquidated, and terminated:

(a) Any transaction the result of which is the ownership of 100% of all the Membership Interests of the Company by a single Member, unless such Member elects to continue the business of the Company by admitting another Member within thirty (30) days thereafter;

(b) Judicial dissolution;

(c) Termination of the Agreement Regarding Reservation Systems; or

(d) The death, retirement, resignation, expulsion, bankruptcy or dissolution of any Member unless, within ninety days following the occurrence of such event, remaining Members holding a majority of the capital and of the profits interests in the Company, within the meaning of Revenue Procedure 94-96, 1994-2 Cumulative Bulletin 688, agree in their sole and absolute discretion to continue the business of the Company.

Any dissolution of the Company other than as provided in this Paragraph 8.2 shall be a dissolution in contravention of this Agreement.

**8.3 Effect of Dissolution.** The dissolution of the Company shall be effective on the day on which the event occurs giving rise to the dissolution, but the Company shall not terminate until it has been wound up and its assets have been distributed as provided in Paragraph 8.5 of this Agreement. Notwithstanding the dissolution of the Company, prior to the termination of the Company, the business of the Company and the affairs of the Members, as such, shall continue to be governed by this Agreement. Any dissolution of the Company shall be effected in such manner that enables the Members and the hotels utilizing the reservation system operated by the Company to continue to obtain such (or equivalent) services without disruption to their business. After the dissolution of the Company, the Members shall ensure that each Member has access to the software, databases and related operational assets of the Company for use solely in a manner consistent with the purposes for which such assets were utilized by the Company.

**8.4 No Capital Contribution Upon Dissolution.** Each Member shall look solely to the assets of the Company for all distributions with respect to the Company, its Capital Contribution thereto, its Capital Account and its share of Net Profits or Net Losses, and shall have no recourse therefor (upon dissolution or otherwise) against any

other Member. Accordingly, if any Member has a deficit balance in its Capital Account (after giving effect to all contributions, distributions and allocations for all taxable years, including the year during which the liquidation occurs), then such Member shall have no obligation to make any Capital Contribution with respect to such deficit, and such deficit shall not be considered a debt owed to the Company or to any other person for any purpose whatsoever.

## **8.5 Liquidation.**

8.5.1 Upon dissolution of the Company, the Management Committee shall liquidate the assets of the Company, and after allocating (pursuant to Article 5 of this Agreement) all income, gain, loss and deductions resulting therefrom, shall apply and distribute the proceeds thereof as follows:

(a) First, to the payment of the obligations of the Company, to the expenses of liquidation, and to the setting up of any Reserves for contingencies which the Management Committee may consider necessary.

(b) Thereafter, to the Members in proportion to the positive balances in the Members' respective Capital Accounts, determined after taking into account all Capital Account adjustments for the Company taxable year during which such liquidation occurs (other than those made as a result of the distributions set forth in this Paragraph 8.5.1(b) of this Agreement), by the end of the taxable year in which such liquidation occurs or, if later, within 90 days after the date of the liquidation.

8.5.2 Notwithstanding Paragraph 8.5.1 of this Agreement, in the event that the Management Committee determines that an immediate sale of all or any portion of the Company Assets would cause undue loss to the Members, the Management Committee, in order to avoid such loss to the extent not then prohibited by the Act, may either defer liquidation of and withhold from distribution for a reasonable time any Company Assets except those necessary to satisfy the Company's debts and obligations, or distribute the Company Assets to the Members in kind.

**ARTICLE 9**  
**MISCELLANEOUS**

**9.1 Amendments.**

9.1.1 Each Additional Member and Substitute Member shall become a signatory hereto by signing such number of counterpart signature pages to this Agreement, and such other instruments, in such manner, as the Management Committee shall determine. By so signing, each Member shall be deemed to have adopted and to have agreed to be bound by all of the provisions of this Agreement.

9.1.2 Except as set forth in Section 9.1.3, amendments or modifications to this Agreement shall be made only pursuant to the written consent of each of the Members.

9.1.3 In addition to other amendments authorized herein, amendments may be made to this Agreement from time to time by the Management Committee, without any other consent of the Members: (a) to cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Agreement that are not inconsistent with the provisions of this Agreement; (b) to delete or add any provision of this Agreement required to be so deleted or added by any federal or state official, which addition or deletion is deemed by such official to be for the benefit or protection of all of the Members; and (c) to take such actions as may be necessary (if any) to insure that the Company will be treated as a partnership for federal income tax purposes.

9.1.4 In making any amendments, there shall be prepared and filed by, or for, the Management Committee such documents and certificates as may be required under the Act and under the laws of any other jurisdiction applicable to the Company.

**9.2 Accounting and Fiscal Year.** Subject to Code Section 448, the books of the Company shall be kept on such method of accounting for tax and financial reporting purposes as may be determined by the Management Committee. The fiscal year of the Company shall end on December 31 of each year, or on such other date permitted under the Code as the Management Committee shall determine.

**9.3 Meetings.** At any time, and from time to time, the Management Committee may, but shall not be required to, call meetings of the Members. Written notice of any such meeting shall be given to all Members not less than two (2) nor more than forty-five (45) days prior to the date of such meeting. Each meeting of the Members shall be conducted by the Management Committee or any designee thereof. Each Member may authorize any other Person (whether or not such other Person is a Member) to act for it or on its behalf on all matters in which the Member is entitled to participate. Each proxy must be signed by the Member or such Member's attorney-in-fact. All other provisions governing, or otherwise relating to, the holding of meetings of the Members, shall from time to time be established in the sole discretion of the Management Committee. The presence of one representative of each Member shall be required to constitute a quorum for the conduct of any business at a meeting of the Members.

**9.4 Entire Agreement.** This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and fully supersedes any and all prior or contemporaneous agreements or understandings between the parties hereto pertaining to the subject matter hereof.

**9.5 Further Assurances.** Each of the parties hereto does hereby covenant and agree on behalf of itself, its successors, and its assigns, without further consideration, to prepare, execute, acknowledge, file, record, publish, and deliver such other instruments, documents and statements, and to take such other action as may be required by law or reasonably necessary to effectively carry out the purposes of this Agreement.

**9.6 Notices.** Any notice, consent, payment, demand, or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall be (a) delivered personally to the Person or to an officer of the Person to whom the same is directed, or (b) sent by facsimile or registered or certified mail, return receipt requested, postage prepaid, addressed as follows: if to the Company, to the Company at such address as the Company may from time to time specify by notice to the Members; if to a Member, to such Member at such address as such Member may from time to time specify by notice to the Company. Any such notice shall be deemed to be delivered, given and received for all purposes as of: (i) the date so delivered, if delivered personally, (ii) upon receipt, if sent by facsimile, or (iii) on the date of receipt or refusal indicated on the return receipt, if sent by registered or certified mail, return receipt requested, postage and charges prepaid and properly addressed.

**9.7 Tax Matters.**

9.7.1 The Management Committee shall oversee or handle matters relating to the taxation of the Company.

9.7.2 The Management Committee may make all elections for federal income and all other tax purposes (including, without limitation, pursuant to Section 754 of the Code).

9.7.3 Income tax returns of the Company shall be prepared by such certified public accountant(s) as the Management Committee shall retain at the expense of the Company.

**9.8 Governing Law.** This Agreement, including its existence, validity, construction, and operating effect, and the rights of each of the parties hereto, shall be governed by and construed in accordance with the laws of the State of Delaware without regard to otherwise governing principles of conflicts of law.

**9.9 Construction.** This Agreement shall be construed as if all parties prepared this Agreement.

**9.10 Captions - Pronouns.** Any titles or captions contained in this Agreement are for convenience only and shall not be deemed part of the text of this Agreement. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as appropriate.

**9.11 Binding Effect.** Except as otherwise expressly provided herein, this Agreement shall be binding on and inure to the benefit of the Members, their heirs, executors, administrators, successors and all other Persons hereafter holding, having or receiving an interest in the Company, whether as Assignees, Substitute Members or otherwise.

**9.12 Severability.** In the event that any provision of this Agreement as applied to any party or to any circumstance, shall be adjudged by a court to be void, unenforceable or inoperative as a matter of law, then the same shall in no way affect any other provision in this Agreement, the application of such provision in any other circumstance or with respect to any other party, or the validity or enforceability of the Agreement as a whole.

9.13 **Counterparts.** This Agreement may be executed in any number of multiple counterparts, each of which shall be deemed to be an original copy and all of which shall constitute one agreement, binding on all parties hereto.

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

HILTON HOTELS CORPORATION

By: *[Signature]*  
(Name)

Its: PRESIDENT - HOTEL DIVISION  
(Title)

HILTON INTERNATIONAL CO.

By: \_\_\_\_\_  
(Name)

Its: \_\_\_\_\_  
(Title)

9.13 **Counterparts.** This Agreement may be executed in any number of multiple counterparts, each of which shall be deemed to be an original copy and all of which shall constitute one agreement, binding on all parties hereto.

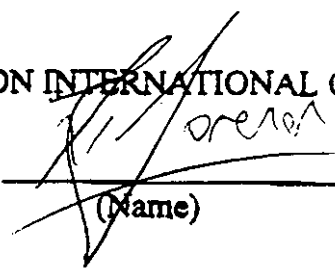
IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

HILTON HOTELS CORPORATION

By: \_\_\_\_\_  
(Name)

Its: \_\_\_\_\_  
(Title)

HILTON INTERNATIONAL CO.

By:  \_\_\_\_\_  
(Name)

Its: \_\_\_\_\_  
(Title)