**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

# Form 10-Q

**(Mark One)**

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended March 31, 2021**

**or**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from to**

**Commission File Number 001-36243**

# Hilton Worldwide Holdings Inc.

**(Exact name of registrant as specified in its charter)**

| **Delaware** | **27-4384691** |
|---|---|
| **(State or other jurisdiction of incorporation or organization)** | **(I.R.S. Employer Identification No.)** |
| **7930 Jones Branch Drive, Suite 1100, McLean, VA** | **22102** |
| **(Address of Principal Executive Offices)** | **(Zip Code)** |

**Registrant's telephone number, including area code: (703) 883-1000**

**N/A**

**(Former name, former address and former fiscal year, if changed since last report)**

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Stock, $0.01 par value per share | HLT | New York Stock Exchange |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

| | | | |
|---|---|---|---|
| Large accelerated filer | ☒ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Smaller reporting | ☐ |
| | | Emerging growth company | ☐ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares outstanding of the registrant's common stock, par value $0.01 per share, as of April 28, 2021 was 278,533,722.

**HILTON WORLDWIDE HOLDINGS INC.**
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## PART I. FINANCIAL INFORMATION

### Item 1. Financial Statements

**HILTON WORLDWIDE HOLDINGS INC.**
**CONDENSED CONSOLIDATED BALANCE SHEETS**
**(in millions, except share data)**

| | March 31, 2021 | December 31, 2020 |
|---|---|---|
| | (unaudited) | |
| **ASSETS** | | |
| **Current Assets:** | | |
| Cash and cash equivalents | $ 2,402 | $ 3,218 |
| Restricted cash and cash equivalents | 45 | 45 |
| Accounts receivable, net of allowance for credit losses of $138 and $132 | 797 | 771 |
| Prepaid expenses | 104 | 70 |
| Other | 120 | 98 |
| Total current assets (variable interest entities – $38 and $53) | 3,468 | 4,202 |
| **Intangibles and Other Assets:** | | |
| Goodwill | 5,084 | 5,095 |
| Brands | 4,895 | 4,904 |
| Management and franchise contracts, net | 691 | 653 |
| Other intangible assets, net | 241 | 266 |
| Operating lease right-of-use assets | 763 | 772 |
| Property and equipment, net | 327 | 346 |
| Deferred income tax assets | 194 | 194 |
| Other | 311 | 323 |
| Total intangibles and other assets (variable interest entities – $186 and $199) | 12,506 | 12,553 |
| **TOTAL ASSETS** | $ 15,974 | $ 16,755 |
| **LIABILITIES AND EQUITY (DEFICIT)** | | |
| **Current Liabilities:** | | |
| Accounts payable, accrued expenses and other | $ 1,271 | $ 1,302 |
| Current maturities of long-term debt | 48 | 56 |
| Current portion of deferred revenues | 364 | 370 |
| Current portion of liability for guest loyalty program | 793 | 703 |
| Total current liabilities (variable interest entities – $50 and $57) | 2,476 | 2,431 |
| Long-term debt | 9,908 | 10,431 |
| Operating lease liabilities | 970 | 971 |
| Deferred revenues | 930 | 1,004 |
| Deferred income tax liabilities | 616 | 649 |
| Liability for guest loyalty program | 1,733 | 1,766 |
| Other | 961 | 989 |
| Total liabilities (variable interest entities – $225 and $248) | 17,594 | 18,241 |
| Commitments and contingencies – see Note 13 | | |
| **Equity (Deficit):** | | |
| Preferred stock, $0.01 par value; 3,000,000,000 authorized shares, none issued or outstanding as of March 31, 2021 and December 31, 2020 | — | — |
| Common stock, $0.01 par value; 10,000,000,000 authorized shares, 331,448,235 issued and 278,527,885 outstanding as of March 31, 2021 and 330,511,254 issued and 277,590,904 outstanding as of December 31, 2020 | 3 | 3 |
| Treasury stock, at cost; 52,920,350 shares as of March 31, 2021 and December 31, 2020 | (4,453) | (4,453) |
| Additional paid-in capital | 10,547 | 10,552 |
| Accumulated deficit | (6,840) | (6,732) |
| Accumulated other comprehensive loss | (880) | (860) |
| Total Hilton stockholders' deficit | (1,623) | (1,490) |
| Noncontrolling interests | 3 | 4 |
| Total deficit | (1,620) | (1,486) |
| **TOTAL LIABILITIES AND EQUITY (DEFICIT)** | $ 15,974 | $ 16,755 |

See notes to condensed consolidated financial statements.

**HILTON WORLDWIDE HOLDINGS INC.**
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**
**(in millions, except per share data)**
**(unaudited)**

| | Three Months Ended March 31, | |
|---|---|---|
| | **2021** | **2020** |
| **Revenues** | | |
| Franchise and licensing fees | $ 242 | $ 339 |
| Base and other management fees | 25 | 60 |
| Incentive management fees | 13 | 23 |
| Owned and leased hotels | 56 | 210 |
| Other revenues | 17 | 23 |
| | 353 | 655 |
| Other revenues from managed and franchised properties | 521 | 1,265 |
| Total revenues | 874 | 1,920 |
| **Expenses** | | |
| Owned and leased hotels | 110 | 239 |
| Depreciation and amortization | 51 | 91 |
| General and administrative | 97 | 60 |
| Impairment losses | — | 112 |
| Other expenses | 10 | 14 |
| | 268 | 516 |
| Other expenses from managed and franchised properties | 585 | 1,336 |
| Total expenses | 853 | 1,852 |
| **Operating income** | 21 | 68 |
| Interest expense | (103) | (94) |
| Gain on foreign currency transactions | 2 | 9 |
| Loss on debt extinguishment | (69) | — |
| Other non-operating income, net | 5 | — |
| **Loss before income taxes** | (144) | (17) |
| Income tax benefit | 35 | 35 |
| **Net income (loss)** | (109) | 18 |
| **Net loss attributable to noncontrolling interests** | 1 | — |
| **Net income (loss) attributable to Hilton stockholders** | $ (108) | $ 18 |
| **Earnings (loss) per share:** | | |
| Basic | $ (0.39) | $ 0.06 |
| Diluted | $ (0.39) | $ 0.06 |
| **Cash dividends declared per share** | $ — | $ 0.15 |

See notes to condensed consolidated financial statements.

**HILTON WORLDWIDE HOLDINGS INC.**
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**
**(in millions)**
**(unaudited)**

| | Three Months Ended March 31, | |
|---|---|---|
| | **2021** | **2020** |
| **Net income (loss)** | $ (109) | $ 18 |
| Other comprehensive income (loss), net of tax benefit (expense): | | |
| Currency translation adjustment, net of tax of $(3) and $8 | (29) | (24) |
| Pension liability adjustment, net of tax[1] | 2 | 1 |
| Cash flow hedge adjustment, net of tax of $(2) and $13 | 7 | (36) |
| **Total other comprehensive loss** | (20) | (59) |
| | | |
| **Comprehensive loss** | (129) | (41) |
| **Comprehensive loss attributable to noncontrolling interests** | 1 | — |
| **Comprehensive loss attributable to Hilton stockholders** | $ (128) | $ (41) |

[1] Amounts were less than $1 million for both periods.

See notes to condensed consolidated financial statements.

**HILTON WORLDWIDE HOLDINGS INC.**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(in millions)**
**(unaudited)**

| | Three Months Ended March 31, | |
|---|---|---|
| | **2021** | **2020** |
| **Operating Activities:** | | |
| Net income (loss) | $ (109) | $ 18 |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities: | | |
| Amortization of contract acquisition costs | 7 | 8 |
| Depreciation and amortization | 51 | 91 |
| Impairment losses | — | 112 |
| Gain on foreign currency transactions | (2) | (9) |
| Share-based compensation expense (benefit) | 39 | (12) |
| Deferred income taxes | (39) | (37) |
| Contract acquisition costs | (43) | (11) |
| Change in deferred revenues | (80) | 12 |
| Change in liability for guest loyalty program | 57 | 55 |
| Working capital changes and other | (52) | (98) |
| Net cash provided by (used in) operating activities | (171) | 129 |
| **Investing Activities:** | | |
| Capital expenditures for property and equipment | (3) | (12) |
| Capitalized software costs | (8) | (17) |
| Other | (5) | (18) |
| Net cash used in investing activities | (16) | (47) |
| **Financing Activities:** | | |
| Borrowings | 1,500 | 1,690 |
| Repayment of debt | (2,016) | (205) |
| Debt issuance costs and redemption premium | (74) | — |
| Dividends paid | — | (42) |
| Repurchases of common stock | — | (296) |
| Share-based compensation tax withholdings and other | (34) | (47) |
| Net cash provided by (used in) financing activities | (624) | 1,100 |
| Effect of exchange rate changes on cash, restricted cash and cash equivalents | (5) | (7) |
| **Net increase (decrease) in cash, restricted cash and cash equivalents** | (816) | 1,175 |
| **Cash, restricted cash and cash equivalents, beginning of period** | 3,263 | 630 |
| **Cash, restricted cash and cash equivalents, end of period** | $ 2,447 | $ 1,805 |
| | | |
| **Supplemental Disclosures:** | | |
| Cash paid during the year: | | |
| Interest | $ 72 | $ 94 |
| Income taxes, net of refunds | 25 | 50 |

See notes to condensed consolidated financial statements.

## Note 1: Organization and Basis of Presentation

### *Organization*

Hilton Worldwide Holdings Inc. (the "Parent," or together with its subsidiaries, "Hilton," "we," "us," "our" or the "Company"), a Delaware corporation, is one of the largest hospitality companies in the world and is engaged in managing, franchising, owning and leasing hotels and resorts, and licensing its brands and intellectual property ("IP"). As of March 31, 2021, we managed, franchised, owned or leased 6,567 hotels and resorts, including timeshare properties, totaling 1,032,412 rooms in 119 countries and territories.

### *Basis of Presentation*

The accompanying condensed consolidated financial statements for the three months ended March 31, 2021 and 2020 have been prepared in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP") and are unaudited. We have condensed or omitted certain information and footnote disclosures normally included in financial statements presented in accordance with GAAP. Although we believe the disclosures made are adequate to prevent the information presented from being misleading, these financial statements should be read in conjunction with the consolidated financial statements and notes thereto in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported and, accordingly, ultimate results could differ from those estimates. Additionally, interim results are not necessarily indicative of full year performance. In particular, the novel coronavirus ("COVID-19") pandemic had a material adverse impact on our results for the three months ended March 31, 2021 and 2020 when compared to periods prior to the onset of the pandemic in early 2020. As such, this interim period, as well as upcoming periods, are unlikely to be comparable to periods prior to the onset of the pandemic or to other periods affected by the pandemic, and are not indicative of future performance. In our opinion, the accompanying condensed consolidated financial statements reflect all adjustments, including normal recurring items, considered necessary for a fair presentation of the interim periods. All material intercompany transactions have been eliminated in consolidation.

## Note 2: Revenues from Contracts with Customers

### *Contract Liabilities*

The following table summarizes the activity of our contract liabilities, which are classified as a component of current and long-term deferred revenues, during the three months ended March 31, 2021:

| | (in millions) |
|---|---|
| Balance as of December 31, 2020 | $ 1,312 |
| Cash received in advance and not recognized as revenue | 23 |
| Revenue recognized[1] | (60) |
| Other[2] | (31) |
| Balance as of March 31, 2021 | $ 1,244 |

(1) Revenue recognized during the three months ended March 31, 2021 included $46 million related to Hilton Honors, our guest loyalty program. Revenue recognized during the three months ended March 31, 2020 was $54 million, which included $40 million related to Hilton Honors.

(2) Primarily represents changes in estimated transaction prices for our performance obligations related to points issued under Hilton Honors, which had no effect on revenues.

***Hilton Honors Points Pre-Sale***

In April 2020, we pre-sold Hilton Honors points to American Express for $1.0 billion in cash (the "Honors Points Pre-Sale"). American Express and their respective designees may use the points in connection with Hilton Honors co-branded credit cards and for promotions, rewards and incentive programs or certain other activities as they may establish or engage in from time to time. Upon receipt of the cash, we recognized $636 million in deferred revenues and the remainder in liability for guest loyalty program; see below for additional information on the revenue recognition of the related deferred revenues.

***Performance Obligations***

As of March 31, 2021, we had deferred revenues for unsatisfied performance obligations consisting of: (i) $241 million related to Hilton Honors that will be recognized as revenue when the points are redeemed, which we estimate will occur over approximately the next two years; (ii) $407 million related to co-branded credit card arrangements, primarily consisting of deferred revenues for the Honors Points Pre-Sale of which a portion will be recognized as revenue when points are awarded, with the remaining portion recognized as revenue when the points are redeemed; and (iii) $596 million related to application, initiation and other fees that is expected to be recognized as revenue over the terms of the related contracts.

**Note 3: Consolidated Variable Interest Entities**

As of March 31, 2021 and December 31, 2020, we consolidated two variable interest entities ("VIEs") that each lease a hotel property. We consolidated these VIEs since we are the primary beneficiary, having the power to direct the activities that most significantly affect their economic performance. Additionally, we have the obligation to absorb their losses and the right to receive benefits that could be significant to them. The assets of our consolidated VIEs are only available to settle the obligations of the respective entities.

Our condensed consolidated balance sheets included the assets and liabilities of these entities, which primarily comprised the following:

| | March 31, 2021 | December 31, 2020 |
|---|---|---|
| | (in millions) | |
| Cash and cash equivalents | $ 26 | $ 40 |
| Property and equipment, net | 69 | 76 |
| Deferred income tax assets | 56 | 57 |
| Other non-current assets | 61 | 66 |
| Accounts payable, accrued expenses and other | 26 | 27 |
| Long-term debt[(1)] | 181 | 203 |
| Other long-term liabilities | 17 | 17 |

(1) Includes finance lease liabilities of $164 million and $184 million as of March 31, 2021 and December 31, 2020, respectively. As of March 31, 2021 and December 31, 2020, there were no amounts drawn under the VIEs' revolving credit facilities that had borrowing capacities totaling 4.75 billion Japanese yen (equivalent to $43 million as of March 31, 2021).

We did not provide any financial or other support to any consolidated VIEs that we were not previously contractually required to provide during the three months ended March 31, 2021 and 2020.

**Note 4: Finite-Lived Intangible Assets**

Finite-lived intangible assets were as follows:

| | March 31, 2021 | | |
|---|---|---|---|
| | Gross Carrying Value | Accumulated Amortization | Net Carrying Value |
| | (in millions) | | |
| Management and franchise contracts: | | | |
| Management contracts recorded at Merger[1] | $ 314 | $ (264) | $ 50 |
| Contract acquisition costs | 681 | (149) | 532 |
| Development commissions and other | 133 | (24) | 109 |
| | $ 1,128 | $ (437) | $ 691 |
| Other intangible assets: | | | |
| Leases[1] | $ 141 | $ (81) | $ 60 |
| Capitalized software costs | 529 | (403) | 126 |
| Hilton Honors[1] | 341 | (286) | 55 |
| | $ 1,011 | $ (770) | $ 241 |

| | December 31, 2020 | | |
|---|---|---|---|
| | Gross Carrying Value | Accumulated Amortization | Net Carrying Value |
| | (in millions) | | |
| Management and franchise contracts: | | | |
| Management contracts recorded at Merger[1] | $ 317 | $ (261) | $ 56 |
| Contract acquisition costs | 632 | (144) | 488 |
| Development commissions and other | 132 | (23) | 109 |
| | $ 1,081 | $ (428) | $ 653 |
| Other intangible assets: | | | |
| Leases[1][2] | $ 157 | $ (95) | $ 62 |
| Capitalized software costs | 522 | (378) | 144 |
| Hilton Honors[1] | 342 | (282) | 60 |
| | $ 1,021 | $ (755) | $ 266 |

(1) Represents intangible assets that were initially recorded at their fair value as part of the October 2007 transaction whereby we became a wholly owned subsidiary of affiliates of The Blackstone Group Inc. (the "Merger").

(2) During the three months ended March 31, 2020, we recognized $46 million of impairment losses included in our condensed consolidated statement of operations.

Amortization of our finite-lived intangible assets was as follows:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (in millions) | |
| Recognized in depreciation and amortization expense[1] | $ 38 | $ 77 |
| Recognized as a reduction of franchise and licensing fees and base and other management fees | 7 | 8 |

(1) Includes amortization expense of $12 million and $49 million for the three months ended March 31, 2021 and 2020, respectively, associated with assets that were initially recorded at their fair value at the time of the Merger, some of which became fully amortized during 2020.

We estimate future amortization of our finite-lived intangible assets as of March 31, 2021 to be as follows:

| Year | Recognized in Depreciation and Amortization Expense | Recognized as a Reduction of Franchise and Licensing Fees and Base and Other Management Fees |
|---|---|---|
| | (in millions) | |
| 2021 (remaining) | $ 94 | $ 23 |
| 2022 | 98 | 30 |
| 2023 | 62 | 29 |
| 2024 | 14 | 29 |
| 2025 | 8 | 28 |
| Thereafter | 124 | 393 |
| | $ 400 | $ 532 |

**Note 5: Debt**

Long-term debt balances, including obligations for finance leases, and associated interest rates and maturities as of March 31, 2021, were as follows:

| | March 31, 2021 | December 31, 2020 |
|---|---|---|
| | (in millions) | |
| Senior secured revolving credit facility with a rate of 1.11%, due 2024 | $ 1,190 | $ 1,690 |
| Senior secured term loan facility with a rate of 1.86%, due 2026 | 2,619 | 2,619 |
| Senior notes with a rate of 5.375%, due 2025 | 500 | 500 |
| Senior notes with a rate of 5.125%, due 2026 | — | 1,500 |
| Senior notes with a rate of 4.875%, due 2027 | 600 | 600 |
| Senior notes with a rate of 5.750%, due 2028 | 500 | 500 |
| Senior notes with a rate of 3.750%, due 2029 | 800 | 800 |
| Senior notes with a rate of 4.875%, due 2030 | 1,000 | 1,000 |
| Senior notes with a rate of 4.000%, due 2031 | 1,100 | 1,100 |
| Senior notes with a rate of 3.625%, due 2032 | 1,500 | — |
| Finance lease liabilities with a weighted average rate of 5.85%, due 2021 to 2030 | 227 | 252 |
| Other debt with a rate of 3.08%, due 2026 | 17 | 19 |
| | 10,053 | 10,580 |
| Less: unamortized deferred financing costs and discount | (97) | (93) |
| Less: current maturities of long-term debt[1] | (48) | (56) |
| | $ 9,908 | $ 10,431 |

(1) Represents current maturities of finance lease liabilities.

Our senior secured credit facilities consist of a $1.75 billion senior secured revolving credit facility (the "Revolving Credit Facility") and a senior secured term loan facility (the "Term Loan"). The obligations of our senior secured credit facilities are unconditionally and irrevocably guaranteed by the Parent and substantially all of its direct and indirect wholly owned domestic subsidiaries. During the three months ended March 31, 2021, we repaid $500 million of the outstanding debt balance on the Revolving Credit Facility. As of March 31, 2021, in addition to the outstanding debt balance, we had $60 million of letters of credit outstanding on our Revolving Credit Facility, resulting in an available borrowing capacity of $500 million.

In February 2021, we issued $1.5 billion aggregate principal amount of 3.625% Senior Notes due 2032 (the "2032 Senior Notes") and incurred $21 million of debt issuance costs. Interest on the 2032 Senior Notes is payable semi-annually in arrears on February 15 and August 15 of each year, beginning August 15, 2021. We used the net proceeds from the issuance, together with available cash, to redeem all $1.5 billion in aggregate principal amount of our outstanding 5.125% Senior Notes due 2026 (the "2026 Senior Notes"), plus accrued and unpaid interest. In connection with the redemption, we paid a redemption premium of $55 million and accelerated the recognition of the unamortized deferred financing costs on the 2026 Senior Notes of $14 million, which were both included in loss on debt extinguishment in our condensed consolidated statement of operations for the three months ended March 31, 2021.

The 5.375% Senior Notes due 2025 (the "2025 Senior Notes"), the 4.875% Senior Notes due 2027, the 5.750% Senior Notes due 2028 (the "2028 Senior Notes"), the 3.750% Senior Notes due 2029, the 4.875% Senior Notes due 2030, the 4.000% Senior Notes due 2031 and the 2032 Senior Notes are collectively referred to as the Senior Notes and are jointly and severally guaranteed on a senior unsecured basis by the Parent and substantially all of its direct and indirect wholly owned domestic subsidiaries, other than Hilton Domestic Operating Company Inc. ("HOC"), an indirect wholly owned subsidiary of the Parent and the issuer of all of the series of Senior Notes.

The contractual maturities of our long-term debt as of March 31, 2021 were as follows:

| Year | (in millions) |
|---|---|
| 2021 (remaining) | $ 40 |
| 2022 | 29 |
| 2023 | 22 |
| 2024 | 1,212 |
| 2025 | 523 |
| Thereafter | 8,227 |
| | $ 10,053 |

**Note 6: Fair Value Measurements**

Estimates of the fair values of our financial instruments and nonfinancial assets were determined using available market information and appropriate valuation methods. Considerable judgment is necessary to interpret market data and develop the estimated fair values.

The fair values of certain financial instruments and the hierarchy level we used to estimate the fair values are shown below:

| | March 31, 2021 | | | |
|---|---|---|---|---|
| | | Hierarchy Level | | |
| | Carrying Value | Level 1 | Level 2 | Level 3 |
| | (in millions) | | | |
| Assets: | | | | |
| Cash equivalents | $ 1,415 | $ — | $ 1,415 | $ — |
| Restricted cash equivalents | 9 | — | 9 | — |
| Liabilities: | | | | |
| Long-term debt[(1)] | 9,712 | 6,114 | — | 3,788 |
| Interest rate swaps | 73 | — | 73 | — |

| | December 31, 2020 | | | |
|---|---|---|---|---|
| | | Hierarchy Level | | |
| | Carrying Value | Level 1 | Level 2 | Level 3 |
| | | (in millions) | | |
| Assets: | | | | |
| Cash equivalents | $ 2,270 | $ — | $ 2,270 | $ — |
| Restricted cash equivalents | 9 | — | 9 | — |
| Liabilities: | | | | |
| Long-term debt[1] | 10,216 | 6,366 | — | 4,293 |
| Interest rate swaps | 82 | — | 82 | — |

[1] The carrying values include unamortized deferred financing costs and discount. The carrying values and fair values exclude finance lease liabilities and other debt.

We measure our interest rate swaps at fair value, which was determined using a discounted cash flow analysis that reflects the contractual terms of the interest rate swaps, including the period to maturity, and uses observable market-based inputs of similar instruments, including interest rate curves, as applicable. Our interest rate swaps are included in other long-term liabilities in our condensed consolidated balance sheets.

The fair values of financial instruments not included in these tables are estimated to be equal to their carrying values as of March 31, 2021 and December 31, 2020.

**Note 7: Leases**

We lease hotel properties, land, corporate office space and equipment used at hotels and corporate offices, with our most significant lease liabilities related to hotel properties. As of March 31, 2021, we leased 48 hotels under operating leases and six hotels under finance leases, two of which were the liabilities of consolidated VIEs and were non-recourse to us. Our hotel leases expire at various dates, with varying renewal and termination options.

During the three months ended March 31, 2020, we recognized impairment losses in our condensed consolidated statement of operations related to certain hotel properties in our ownership segment under operating and finance leases, including $45 million of operating lease right-of-use ("ROU") assets and $21 million of property and equipment, net, of which $2 million related to finance lease ROU assets.

Supplemental cash flow information related to leases was as follows:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (in millions) | |
| ROU assets obtained in exchange for lease liabilities in non-cash transactions: | | |
| Operating leases | $ 28 | $ 6 |
| Finance leases | 3 | 11 |

Our future minimum lease payments as of March 31, 2021 were as follows:

| Year | Operating Leases | Finance Leases |
|---|---|---|
| | (in millions) | |
| 2021 (remaining) | $ 158 | $ 49 |
| 2022 | 158 | 40 |
| 2023 | 144 | 32 |
| 2024 | 122 | 30 |
| 2025 | 120 | 30 |
| Thereafter | 746 | 104 |
| Total minimum lease payments | 1,448 | 285 |
| Less: imputed interest | (321) | (58) |
| Total lease liabilities | $ 1,127 | $ 227 |

**Note 8: Income Taxes**

The Company's income tax provision for interim reporting periods has historically been calculated by applying an estimate of the annual effective income tax rate for the full year to "ordinary" income (loss) for the interim reporting period, which is calculated as pre-tax income (loss) excluding unusual and infrequently occurring discrete items. For the three months ended March 31, 2021, we calculated the income tax provision using a discrete effective income tax rate method as if the interim year to date period was an annual period. We determined that since normal changes in estimated "ordinary" income (loss) would result in disproportionate changes in the estimated annual effective income tax rate, the Company's historic method of calculating its income tax provision for interim reporting periods would not provide a reliable estimate for the three months ended March 31, 2021.

We file income tax returns, including returns for our subsidiaries, with federal, state, local and foreign tax jurisdictions. We are under regular and recurring audit by the Internal Revenue Service ("IRS") and other taxing authorities on open tax positions. The timing of the resolution of tax audits is highly uncertain, as are the amounts, if any, that may ultimately be paid upon such resolution. Changes may result from the conclusion of ongoing audits, appeals or litigation in federal, state, local and foreign tax jurisdictions or from the resolution of various proceedings between the U.S. and foreign tax authorities. As of March 31, 2021, we remain subject to federal and state examinations of our income tax returns for tax years from 2005 through 2019 and foreign examinations of our income tax returns for tax years from 1996 through 2020.

Our total unrecognized tax benefits as of March 31, 2021 and December 31, 2020 were $444 million and $451 million, respectively. As of March 31, 2021 and December 31, 2020, we had accrued approximately $67 million and $65 million, respectively, for interest and penalties related to these unrecognized tax benefits. Included in the balances of unrecognized tax benefits as of March 31, 2021 and December 31, 2020 were $399 million and $400 million, respectively, associated with positions that, if favorably resolved, would provide a benefit to our effective income tax rate.

In prior periods, we received 30-day Letters from the IRS and the Revenue Agents Reports ("RARs") for the 2006 through the 2013 tax years. We disagreed with several of the proposed adjustments in the RARs and filed formal appeals protests with the IRS. The unsettled proposed adjustments sought by the IRS for the tax years with open audits would result in additional U.S. federal taxes owed of approximately $817 million, excluding interest and penalties and potential state income taxes. We disagree with the IRS's position on each of their assertions and intend to vigorously contest them. However, based on continuing appeals process discussions with the IRS, we believe that it is more likely than not that we will not recognize the full benefit related to certain of the issues being appealed. Accordingly, as of March 31, 2021, we had recorded $93 million of unrecognized tax benefits related to these issues.

**Note 9: Share-Based Compensation**

As part of the Hilton 2017 Omnibus Incentive Plan (the "2017 Plan"), we award time-vesting restricted stock units and restricted stock (collectively, "RSUs"), nonqualified stock options ("options") and performance-vesting RSUs ("performance shares") to our eligible employees. We recognized an expense of $39 million and a benefit of $12 million related to share-based compensation during the three months ended March 31, 2021 and 2020, respectively, which included amounts reimbursed by hotel owners. The benefit recognized during the three months ended March 31, 2020 was primarily due to the reversal of expense recognized in prior periods, as a result of the determination that the performance conditions of certain of the then-outstanding performance shares were no longer probable of achievement.

As of March 31, 2021, unrecognized compensation costs for unvested awards under the 2017 Plan were approximately $229 million, which are expected to be recognized over a weighted-average period of 1.9 years on a straight-line basis. As of March 31, 2021, there were 12.1 million shares of common stock available for future issuance under the 2017 Plan, plus any shares subject to awards outstanding under the 2013 Omnibus Incentive Plan, which will become available for issuance under the 2017 Plan, if such outstanding awards expire or are terminated, canceled, forfeited or withheld for taxes.

***RSUs***

During the three months ended March 31, 2021, we granted 573,000 RSUs with a weighted average grant date fair value per share of $123.02, which vest in equal annual installments over two or three years from the date of grant.

***Options***

During the three months ended March 31, 2021, we granted 361,000 options with an exercise price per share of $123.13, which vest in equal annual installments over three years from the date of grant and terminate 10 years from the date of grant or earlier if the individual's service terminates under certain circumstances.

The grant date fair value per share of the options granted during the three months ended March 31, 2021 was $41.15, which was determined using the Black-Scholes-Merton option-pricing model with the following assumptions:

| | |
|---|---|
| Expected volatility[(1)] | 33.13 % |
| Dividend yield[(2)] | — % |
| Risk-free rate[(3)] | 0.92 % |
| Expected term (in years)[(4)] | 6.0 |

(1) Estimated using a blended approach of historical and implied volatility. Historical volatility is based on the historical movement of Hilton's stock price for a period that corresponds to the expected life of the option.
(2) We have historically paid regular quarterly cash dividends. However, in March 2020, we suspended the declaration and payment of dividends as part of certain proactive measures we took to secure our liquidity position in response to the COVID-19 pandemic, and, at the time of the grant, we could not estimate when the payment of dividends would resume.
(3) Based on the yields of U.S. Department of Treasury instruments with similar expected lives.
(4) Estimated using the average of the vesting periods and the contractual term of the options.

***Performance Shares***

In December 2020, we modified our then-outstanding performance shares in response to the COVID-19 pandemic and its negative impact on the hospitality industry and, ultimately, the Company's performance. The modifications were structured to reward for results achieved prior to the COVID-19 pandemic, retain senior business leaders and incentivize for the recovery efforts by utilizing metrics most meaningful in assessing our performance during our recovery from the negative impact of the pandemic. Under the terms of the modified awards, a portion of the outstanding performance shares granted in 2019 were modified to vest based on performance prior to the pandemic and continued service, and the remaining portion of those performance shares and the performance shares granted in 2020 were converted to performance shares that will vest based on different performance measures from those under the original agreements. The modified terms did not change the vesting schedules of the original awards.

During the three months ended March 31, 2021, we granted 241,000 performance shares with a grant date fair value per share of $123.13. We recognize compensation expense based on the total number of performance shares that are expected to vest as determined by the related performance measure's achievement factor, which is estimated each reporting period and ranges from zero percent to 200 percent, with 100 percent being the target. As of March 31, 2021, we determined that the performance measures for all of the outstanding performance shares were probable of achievement, with the estimated applicable achievement factors at approximately target.

**Note 10: Earnings (Loss) Per Share**

The following table presents the calculation of basic and diluted earnings (loss) per share ("EPS"):

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (in millions, except per share amounts) | |
| Basic EPS: | | |
| Numerator: | | |
| Net income (loss) attributable to Hilton stockholders | $ (108) | $ 18 |
| Denominator: | | |
| Weighted average shares outstanding | 278 | 277 |
| Basic EPS | $ (0.39) | $ 0.06 |
| | | |
| Diluted EPS: | | |
| Numerator: | | |
| Net income (loss) attributable to Hilton stockholders | $ (108) | $ 18 |
| Denominator: | | |
| Weighted average shares outstanding[1] | 278 | 280 |
| Diluted EPS | $ (0.39) | $ 0.06 |

(1) Approximately 3 million and 1 million share-based compensation awards were excluded from the computation of diluted EPS for the three months ended March 31, 2021 and 2020, respectively, because their effect would have been anti-dilutive under the treasury stock method.

**Note 11: Stockholders' Equity (Deficit) and Accumulated Other Comprehensive Loss**

The following tables present the changes in the components of stockholders' equity (deficit):

| | Three Months Ended March 31, 2021 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Equity (Deficit) Attributable to Hilton Stockholders | | | | | | | |
| | Common Stock | | | | | | | |
| | Shares | Amount | Treasury Stock | Additional Paid-in Capital | Accumulated Deficit | Accumulated Other Comprehensive Loss | Noncontrolling Interests | Total |
| | (in millions) | | | | | | | |
| Balance as of December 31, 2020 | 278 | $ 3 | $ (4,453) | $ 10,552 | $ (6,732) | $ (860) | $ 4 | $ (1,486) |
| Net loss | — | — | — | — | (108) | — | (1) | (109) |
| Other comprehensive loss | — | — | — | — | — | (20) | — | (20) |
| Share-based compensation | 1 | — | — | (5) | — | — | — | (5) |
| Balance as of March 31, 2021 | 279 | $ 3 | $ (4,453) | $ 10,547 | $ (6,840) | $ (880) | $ 3 | $ (1,620) |

| | Three Months Ended March 31, 2020 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Equity (Deficit) Attributable to Hilton Stockholders | | | | | | | |
| | Common Stock | | | | | | | |
| | Shares | Amount | Treasury Stock | Additional Paid-in Capital | Accumulated Deficit | Accumulated Other Comprehensive Loss | Noncontrolling Interests | Total |
| | (in millions) | | | | | | | |
| Balance as of December 31, 2019 | 279 | $ 3 | $ (4,169) | $ 10,489 | $ (5,965) | $ (840) | $ 10 | $ (472) |
| Net income | — | — | — | — | 18 | — | — | 18 |
| Other comprehensive loss | — | — | — | — | — | (59) | — | (59) |
| Dividends[1] | — | — | — | — | (42) | — | — | (42) |
| Repurchases of common stock[1] | (3) | — | (279) | — | — | — | — | (279) |
| Share-based compensation | 1 | — | (14) | (46) | — | — | — | (60) |
| Cumulative effect of the adoption of ASU 2016-13[2] | — | — | — | — | (10) | — | — | (10) |
| Balance as of March 31, 2020 | 277 | $ 3 | $ (4,462) | $ 10,443 | $ (5,999) | $ (899) | $ 10 | $ (904) |

(1) In March 2020, we suspended share repurchases and the declaration of dividends.

(2) Relates to Accounting Standards Update No. 2016-13 ("ASU 2016-13"), *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, that was adopted on January 1, 2020.

The changes in the components of accumulated other comprehensive loss, net of taxes, were as follows:

| | Currency Translation Adjustment[1] | Pension Liability Adjustment[2] | Cash Flow Hedge Adjustment[3] | Total |
|---|---|---|---|---|
| | (in millions) | | | |
| Balance as of December 31, 2020 | $ (511) | $ (289) | $ (60) | $ (860) |
| Other comprehensive income (loss) before reclassifications | (29) | (1) | 2 | (28) |
| Amounts reclassified from accumulated other comprehensive loss | — | 3 | 5 | 8 |
| Net current period other comprehensive income (loss) | (29) | 2 | 7 | (20) |
| Balance as of March 31, 2021 | $ (540) | $ (287) | $ (53) | $ (880) |

| | Currency Translation Adjustment[1] | Pension Liability Adjustment[2] | Cash Flow Hedge Adjustment[3] | Total |
|---|---|---|---|---|
| | (in millions) | | | |
| Balance as of December 31, 2019 | $ (549) | $ (269) | $ (22) | $ (840) |
| Other comprehensive loss before reclassifications | (25) | (1) | (34) | (60) |
| Amounts reclassified from accumulated other comprehensive loss | 1 | 2 | (2) | 1 |
| Net current period other comprehensive income (loss) | (24) | 1 | (36) | (59) |
| Balance as of March 31, 2020 | $ (573) | $ (268) | $ (58) | $ (899) |

(1) Includes net investment hedges and intra-entity foreign currency transactions that are of a long-term investment nature. The amount reclassified during the three months ended March 31, 2020 related to the liquidation of an investment in a foreign entity and was recognized in gain on foreign currency transactions in our condensed consolidated statement of operations.

(2) Amounts reclassified related to the amortization of prior service cost (credit) and amortization of net loss and were recognized in other non-operating income, net in our condensed consolidated statements of operations.

(3) Amounts reclassified related to interest rate swaps, including interest rate swaps that were dedesignated and subsequently settled, and forward contracts that hedge our foreign currency denominated fees and were recognized in interest expense and franchise and licensing fees, base and other management fees and other revenues from managed and franchised properties, respectively, in our condensed consolidated statements of operations.

**Note 12: Business Segments**

We are a hospitality company with operations organized in two distinct operating segments: (i) management and franchise and (ii) ownership. These segments are managed and reported separately because of their distinct economic characteristics.

The management and franchise segment includes all of the hotels we manage for third-party owners, as well as all franchised hotels that license our brands and where we provide other prescribed services, but where the day-to-day services of the hotels are operated or managed by someone other than us. This segment also earns licensing fees from Hilton Grand Vacations Inc. ("HGV") and strategic partnerships, including co-branded credit card arrangements, for the right to use certain Hilton marks and IP, as well as fees for managing properties in our ownership segment. As of March 31, 2021, this segment included 717 managed hotels and 5,733 franchised hotels consisting of 1,003,961 total rooms. As a result of the COVID-19 pandemic, during the three months ended March 31, 2021 and 2020, the operations of certain hotels in our management and franchise segment were suspended for some period of time. As of March 31, 2021, all but approximately 200 of these hotels were open.

As of March 31, 2021, our ownership segment included 61 properties totaling 19,400 rooms. The segment comprised 53 hotels that we wholly owned or leased, one hotel owned by a consolidated non-wholly owned entity, two hotels that were each leased by a consolidated VIE and five hotels owned or leased by unconsolidated affiliates. As a result of the COVID-19 pandemic, the operations of approximately 15 hotels in our ownership segment were suspended for some period of time during the three months ended March 31, 2021 and approximately five remained suspended as of March 31, 2021. Although the operations of certain hotels in our ownership segment were suspended for some period of time during the three months ended March 31, 2020, the suspensions began in late March 2020.

The performance of our operating segments is evaluated primarily on operating income (loss), without allocating other revenues and expenses or general and administrative expenses.

The following table presents revenues for our reportable segments, reconciled to consolidated amounts:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (in millions) | |
| Franchise and licensing fees | $ 245 | $ 342 |
| Base and other management fees[1] | 30 | 66 |
| Incentive management fees | 13 | 23 |
| Management and franchise | 288 | 431 |
| Ownership | 56 | 210 |
| Segment revenues | 344 | 641 |
| Amortization of contract acquisition costs | (7) | (8) |
| Other revenues | 17 | 23 |
| Direct reimbursements from managed and franchised properties[2] | 223 | 745 |
| Indirect reimbursements from managed and franchised properties[2] | 298 | 520 |
| Intersegment fees elimination[1] | (1) | (1) |
| Total revenues | $ 874 | $ 1,920 |

(1) Includes management, royalty and IP fees charged to our ownership segment by our management and franchise segment, which were eliminated in our condensed consolidated statements of operations.
(2) Included in other revenues from managed and franchised properties in our condensed consolidated statements of operations.

The following table presents operating income (loss) for our reportable segments, reconciled to consolidated loss before income taxes:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (in millions) | |
| Management and franchise[1] | $ 288 | $ 431 |
| Ownership[1] | (55) | (30) |
| Segment operating income | 233 | 401 |
| Amortization of contract acquisition costs | (7) | (8) |
| Other revenues, less other expenses | 7 | 9 |
| Net other expenses from managed and franchised properties | (64) | (71) |
| Depreciation and amortization expenses | (51) | (91) |
| General and administrative expenses | (97) | (60) |
| Impairment losses | — | (112) |
| Operating income | 21 | 68 |
| Interest expense | (103) | (94) |
| Gain on foreign currency transactions | 2 | 9 |
| Loss on debt extinguishment | (69) | — |
| Other non-operating income, net | 5 | — |
| Loss before income taxes | $ (144) | $ (17) |

(1) Includes management, royalty and IP fees charged to our ownership segment by our management and franchise segment, which were eliminated in our condensed consolidated statements of operations.

The following table presents total assets of our reportable segments, reconciled to consolidated amounts:

| | March 31, 2021 | December 31, 2020 |
|---|---|---|
| | (in millions) | |
| Management and franchise | $ 11,097 | $ 11,065 |
| Ownership | 1,189 | 1,242 |
| Corporate and other | 3,688 | 4,448 |
| | $ 15,974 | $ 16,755 |

**Note 13: Commitments and Contingencies**

We provide performance guarantees to certain owners of hotels that we operate under management contracts. Most of these guarantees do not require us to fund shortfalls, but allow for termination of the contract, if specified operating performance levels are not achieved. However, in limited cases, we are obligated to fund performance shortfalls, creating variable interests in the ownership entities of the hotels, of which we are not the primary beneficiary. As of March 31, 2021, we had five performance guarantees, with expirations ranging from 2023 to 2039, and possible cash outlays totaling approximately $20 million. Our obligations under these guarantees in future periods are dependent on the operating performance level of the related hotel over the remaining term of the performance guarantee. We have included the impact of the COVID-19 pandemic on these hotels in our expectations of their future operating performance and, as of March 31, 2021 and December 31, 2020, we accrued current liabilities of $5 million and $7 million, respectively, for our performance guarantees. We may enter into new contracts containing performance guarantees in the future, which could increase our possible cash outlays.

As of March 31, 2021, we guaranteed a $10 million loan, which matures in 2023, for two hotels that we will franchise. Additionally, we have an agreement with the owner of a hotel that we manage to finance capital expenditures at the hotel. As of March 31, 2021, we had remaining possible cash outlays related to this agreement of approximately $10 million; however, we cannot currently estimate the timing of the payments or if they will be made at all.

We receive fees from managed and franchised properties to operate our marketing, sales and brand programs on behalf of hotel owners, which are based on the underlying hotel's sales or usage. As a result of the adverse impact of the COVID-19 pandemic on our hotels' sales and, ultimately, the program fees we earn, our costs to operate these programs have outpaced the

fees received, which, as of March 31, 2021, resulted in $52 million of amounts expended on behalf of these programs exceeding the amounts collected. As of December 31, 2020, we had collected an aggregate of $5 million in excess of amounts expended, across all programs.

We are involved in various claims and lawsuits arising in the ordinary course of business, some of which include claims for substantial sums. While the ultimate results of claims and litigation cannot be predicted with certainty, we expect that the ultimate resolution of all pending or threatened claims and litigation as of March 31, 2021 will not have a material adverse effect on our consolidated financial position, results of operations or cash flows.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

*The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q and with our Annual Report on Form 10-K for the fiscal year ended December 31, 2020.*

### Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These statements include, but are not limited to, statements related to our expectations regarding the impact of the COVID-19 pandemic, the performance of our business, our financial results, our liquidity and capital resources and other non-historical statements. In some cases, you can identify these forward-looking statements by the use of words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "could," "seeks," "projects," "predicts," "intends," "plans," "estimates," "anticipates" or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties including, among others, risks inherent to the hospitality industry, macroeconomic factors beyond our control, risks related to the impact of the COVID-19 pandemic, competition for hotel guests and management and franchise contracts, risks related to doing business with third-party hotel owners, performance of our information technology systems, growth of reservation channels outside of our system, risks of doing business outside of the U.S. and our indebtedness. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. We believe these factors include but are not limited to those described under "Part I—Item 1A. Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2020. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this Quarterly Report on Form 10-Q. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

### COVID-19 Pandemic

Since the beginning of 2020, the COVID-19 pandemic has significantly impacted the global economy and strained the hospitality industry due to travel restrictions and stay-at-home directives in place at various times, resulting in cancellations and significantly reduced travel around the world. In response to the global crisis, we took actions to prioritize the safety and security of our guests, employees and owners and support our communities, as well as help our business withstand this uncertain time; see further discussion in "—Liquidity and Capital Resources."

The reduction in travel resulted in the complete and partial suspensions of operations at certain of our hotels throughout 2020, although the majority of those properties had reopened by December 31, 2020. During the three months ended March 31, 2021, reopenings outpaced suspensions; however, the operations of approximately 275 hotels were suspended for some period of time during the period. Our Asia Pacific region began experiencing the effects of the pandemic in January 2020, while the pronounced negative results and hotel suspensions in the Americas and Europe, Middle East and Africa ("EMEA") regions did not begin until mid-March 2020. Additionally, since the beginning of the pandemic, the pervasiveness and severity of travel restrictions and stay-at-home directives have varied by country and state and have fluctuated with COVID-19 infection surges and contractions and COVID-19 vaccination distributions, which commenced in late 2020. As such, the pandemic had a material adverse impact on our results for the three months ended March 31, 2021 and 2020 when compared to periods prior to the onset of the pandemic, and although both periods were significantly impacted by the pandemic, they are not considered comparable, and no two periods affected by the pandemic are expected to be comparable in the future. In addition, although the distribution of effective COVID-19 vaccinations is a promising development, we are unable to predict how widely utilized the vaccines will be, whether they will be effective in preventing the spread of COVID-19 (including its variant strains) and when normal economic activity and business operations will resume. Accordingly, given the ongoing nature of the COVID-19 pandemic, the ultimate impact that it will have on the Company’s business, financial performance and results of operations remains uncertain.

As of April 28, 2021, 97 percent of our global hotel properties were open, while the operations of approximately 175 hotels were suspended, and we expect all of our hotel properties to be open by the end of 2021. Refer to "—Results of Operations" for further discussion on signs of recovery experienced during the period.

**Overview**

***Our Business***

Hilton is one of the largest hospitality companies in the world, with 6,567 properties comprising 1,032,412 rooms in 119 countries and territories as of March 31, 2021. Our premier brand portfolio includes: our luxury and lifestyle hotel brands, Waldorf Astoria Hotels & Resorts, LXR Hotels & Resorts, Conrad Hotels & Resorts, Canopy by Hilton, Tempo by Hilton and Motto by Hilton; our full service hotel brands, Signia by Hilton, Hilton Hotels & Resorts, Curio Collection by Hilton, DoubleTree by Hilton, Tapestry Collection by Hilton and Embassy Suites by Hilton; our focused service hotel brands, Hilton Garden Inn, Hampton by Hilton, Tru by Hilton, Homewood Suites by Hilton and Home2 Suites by Hilton; and our timeshare brand, Hilton Grand Vacations. As of March 31, 2021, we had 115 million members in our award-winning guest loyalty program, Hilton Honors.

***Segments and Regions***

We analyze our operations and business by both operating segments and geographic regions. Our operations consist of two reportable segments that are based on similar products or services: (i) management and franchise and (ii) ownership. The management and franchise segment provides services, including hotel management and licensing of our brands and IP. This segment generates its revenue from: (i) management and franchise fees charged to third-party hotel owners; (ii) licensing fees from HGV and strategic partnerships, including co-branded credit card arrangements, for the right to use certain Hilton marks and IP; and (iii) fees for managing properties in our ownership segment. As a manager of hotels, we typically are responsible for supervising or operating the property in exchange for management fees. As a franchisor of hotels, we charge franchise fees in exchange for the use of one of our brand names and related commercial services, such as our reservation systems, marketing and information technology services, while a third party manages or operates such franchised hotels. The ownership segment primarily derives earnings from providing nightly hotel room sales, food and beverage sales and other services at our owned and leased hotels.

Geographically, we conduct business through three distinct geographic regions: (i) the Americas; (ii) EMEA; and (iii) Asia Pacific. The Americas region includes North America, South America and Central America, including all Caribbean nations. Although the U.S., which represented 71 percent of our system-wide hotel rooms as of March 31, 2021, is included in the Americas region, it is often analyzed separately and apart from the Americas region and, as such, it is presented separately within the analysis herein. The EMEA region includes Europe, which represents the western-most peninsula of Eurasia stretching from Iceland in the west to Russia in the east, and the Middle East and Africa ("MEA"), which represents the Middle East region and all African nations, including the Indian Ocean island nations. Europe and MEA are often analyzed separately and, as such, are presented separately within the analysis herein. The Asia Pacific region includes the eastern and southeastern nations of Asia, as well as India, Australia, New Zealand and the Pacific Island nations.

***System Growth and Development Pipeline***

Our strategic objectives include the continued expansion of our global footprint and fee-based business. As we enter into new management and franchise contracts, we expand our business with minimal or no capital investment by us as the manager or franchisor, since the capital required to build and maintain hotels is typically provided by the third-party owner of the hotel with whom we contract to provide management services or license our brand names and IP. Prior to approving the addition of new properties to our management and franchise development pipeline, we evaluate the economic viability of the property based on its geographic location, the credit quality of the third-party owner and other factors. By increasing the number of management and franchise contracts with third-party owners, over time we expect to increase revenues, overall return on invested capital and cash available to support our business needs. While these objectives have not changed as a result of the COVID-19 pandemic, the current economic environment has posed certain challenges to the execution of our strategy, which have included and may continue to include delays in openings and new development.

During the three months ended March 31, 2021, we added over 100 hotels, consisting of 16,500 rooms, to our system, contributing to over 13,100 net additional hotel rooms. As of March 31, 2021, we had over 2,570 hotels in our development pipeline that we expect to add to our system in the future, representing nearly 399,000 rooms under construction or approved for development throughout 114 countries and territories, including 31 countries and territories where we do not currently have any existing hotels. Nearly all of the rooms in the development pipeline are within our management and franchise segment. Additionally, of the rooms in the development pipeline, 241,000 rooms were located outside the U.S., and 204,000 rooms were under construction. We do not consider any individual development project to be material to us.

***Brexit***

In June 2016, the United Kingdom ("U.K.") held a referendum in which voters approved an exit from the European Union ("E.U.") (commonly referred to as "Brexit"). In December 2020, the U.K. and the E.U. reached a new bilateral trade and cooperation deal governing their future relationship (the "EU-UK Trade and Cooperation Agreement"), which has now been approved by all parties and will be fully implemented from May 1, 2021. While our results as of and for the three months ended March 31, 2021 were not materially affected by Brexit specifically, the final outcomes are not yet certain. In addition, while the EU-UK Trade and Cooperation Agreement provides clarity in respect of the intended future relationship between the U.K. and the E.U. and some detailed matters of trade and cooperation, it remains unclear what general long-term economic, financial, trade and legal implications the U.K. withdrawal from the E.U. will have and how it will ultimately affect our business. Brexit measures could potentially disrupt the markets we serve and cause tax and foreign currency exchange rate volatility, which could have adverse effects on our business. We will continue to monitor the potential impact of Brexit on our business in future periods.

**Key Business and Financial Metrics Used by Management**

***Comparable Hotels***

We define our comparable hotels as those that: (i) were active and operating in our system for at least one full calendar year as of the end of the current period, and open January 1st of the previous year; (ii) have not undergone a change in brand or ownership type during the current or comparable periods reported; and (iii) have not sustained substantial property damage, business interruption, undergone large-scale capital projects or for which comparable results were not available. Of the 6,511 hotels in our system as of March 31, 2021, 5,642 hotels were classified as comparable hotels. Our 869 non-comparable hotels included 48 hotels, or less than one percent of the total hotels in our system, that were removed from the comparable group during the last twelve months because they sustained substantial property damage, business interruption, underwent large-scale capital projects or comparable results were otherwise not available.

When considering business interruption in the context of our definition of comparable hotels, any hotel that had completely or partially suspended operations on a temporary basis at any point as a result of the COVID-19 pandemic was considered to be part of the definition of comparable hotels. Despite these temporary suspensions of hotel operations, we believe that including these hotels within our hotel operating statistics of occupancy, average daily rate ("ADR") and revenue per available room ("RevPAR") reflects the underlying results of our business for the three months ended March 31, 2021 and 2020.

***Occupancy***

Occupancy represents the total number of room nights sold divided by the total number of room nights available at a hotel or group of hotels for a given period. Occupancy measures the utilization of our hotels' available capacity. Management uses occupancy to gauge demand at a specific hotel or group of hotels in a given period. Occupancy levels also help us determine achievable ADR pricing levels as demand for hotel rooms increases or decreases.

***ADR***

ADR represents hotel room revenue divided by the total number of room nights sold for a given period. ADR measures average room price attained by a hotel, and ADR trends provide useful information concerning the pricing environment and the nature of the customer base of a hotel or group of hotels. ADR is a commonly used performance measure in the industry, and we use ADR to assess pricing levels that we are able to generate by type of customer, as changes in rates charged to customers have different effects on overall revenues and incremental profitability than changes in occupancy, as described above.

***RevPAR***

RevPAR is calculated by dividing hotel room revenue by the total number of room nights available to guests for a given period. We consider RevPAR to be a meaningful indicator of our performance as it provides a metric correlated to two primary and key drivers of operations at a hotel or group of hotels, as previously described: occupancy and ADR. RevPAR is also a useful indicator in measuring performance over comparable periods for comparable hotels.

References to RevPAR, ADR and occupancy are presented on a comparable basis, and references to RevPAR and ADR are presented on a currency neutral basis, unless otherwise noted. As such, comparisons of these hotel operating statistics for the three months ended March 31, 2021 and 2020 use the exchange rates for the three months ended March 31, 2021.

***EBITDA and Adjusted EBITDA***

EBITDA reflects net income (loss), excluding interest expense, a provision for income tax benefit (expense) and depreciation and amortization. Adjusted EBITDA is calculated as EBITDA, as previously defined, further adjusted to exclude certain items, including gains, losses, revenues and expenses in connection with: (i) asset dispositions for both consolidated and unconsolidated equity investments; (ii) foreign currency transactions; (iii) debt restructurings and retirements; (iv) furniture, fixtures and equipment ("FF&E") replacement reserves required under certain lease agreements; (v) share-based compensation; (vi) reorganization, severance, relocation and other expenses; (vii) non-cash impairment; (viii) amortization of contract acquisition costs; (ix) the net effect of reimbursable costs included in other revenues and other expenses from managed and franchised properties; and (x) other items.

We believe that EBITDA and Adjusted EBITDA provide useful information to investors about us and our financial condition and results of operations for the following reasons: (i) these measures are among the measures used by our management team to evaluate our operating performance and make day-to-day operating decisions and (ii) these measures are frequently used by securities analysts, investors and other interested parties as a common performance measure to compare results or estimate valuations across companies in our industry. Additionally, these measures exclude certain items that can vary widely across different industries and among competitors within our industry. For instance, interest expense and income taxes are dependent on company specifics, including, among other things, capital structure and operating jurisdictions, respectively, and, therefore, could vary significantly across companies. Depreciation and amortization, as well as amortization of contract acquisition costs, are dependent upon company policies, including the method of acquiring and depreciating assets and the useful lives that are used. For Adjusted EBITDA, we also exclude items such as: (i) FF&E replacement reserves for leased hotels to be consistent with the treatment of FF&E for owned hotels, where it is capitalized and depreciated over the life of the FF&E; (ii) share-based compensation, as this could vary widely among companies due to the different plans in place and the usage of them; (iii) the net effect of our cost reimbursement revenues and reimbursed expenses, as we contractually do not operate the related programs to generate a profit over the terms of the respective contracts; and (iv) other items, such as amounts related to debt restructurings and retirements and reorganization and related severance costs, that are not core to our operations and are not reflective of our operating performance.

EBITDA and Adjusted EBITDA are not recognized terms under GAAP and should not be considered as alternatives to net income (loss) or other measures of financial performance or liquidity derived in accordance with GAAP. EBITDA and Adjusted EBITDA have limitations as analytical tools and should not be considered as alternatives, either in isolation or as a substitute, for net income (loss), cash flow or other methods of analyzing our results as reported under GAAP. Some of these limitations are:

- EBITDA and Adjusted EBITDA do not reflect changes in, or cash requirements for, our working capital needs;
- EBITDA and Adjusted EBITDA do not reflect our interest expense, or the cash requirements necessary to service interest or principal payments, on our indebtedness;
- EBITDA and Adjusted EBITDA do not reflect income tax expenses or the cash requirements to pay our taxes;
- EBITDA and Adjusted EBITDA do not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments;
- EBITDA and Adjusted EBITDA do not reflect the effect on earnings or changes resulting from matters that we consider not to be indicative of our future operations;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect any cash requirements for such replacements; and
- other companies in our industry may calculate EBITDA and Adjusted EBITDA differently, limiting their usefulness as comparative measures.

Because of these limitations, EBITDA and Adjusted EBITDA should not be considered as discretionary cash available to us to reinvest in the growth of our business or as measures of cash that will be available to us to meet our obligations.

**Results of Operations**

The hotel operating statistics by region for our system-wide comparable hotels were as follows:

| | Three Months Ended March 31, 2021 | Change 2021 vs. 2020 |
|---|---|---|
| U.S. | | |
| Occupancy | 47.7 % | (9.9)% pts. |
| ADR | $ 107.23 | (23.4)% |
| RevPAR | $ 51.10 | (36.6)% |
| | | |
| Americas (excluding U.S.) | | |
| Occupancy | 30.3 % | (21.3)% pts. |
| ADR | $ 94.43 | (22.7)% |
| RevPAR | $ 28.64 | (54.6)% |
| | | |
| Europe | | |
| Occupancy | 19.3 % | (32.7)% pts. |
| ADR | $ 81.59 | (35.0)% |
| RevPAR | $ 15.74 | (75.9)% |
| | | |
| MEA | | |
| Occupancy | 42.6 % | (15.7)% pts. |
| ADR | $ 124.56 | (6.9)% |
| RevPAR | $ 53.12 | (31.9)% |
| | | |
| Asia Pacific | | |
| Occupancy | 43.7 % | 6.5 % pts. |
| ADR | $ 97.60 | (20.5)% |
| RevPAR | $ 42.65 | (6.6)% |
| | | |
| System-wide | | |
| Occupancy | 43.9 % | (11.0)% pts. |
| ADR | $ 105.38 | (23.0)% |
| RevPAR | $ 46.23 | (38.4)% |

During the three months ended March 31, 2021, the COVID-19 pandemic continued to negatively impact our business and our hotel operating statistics. As a result of the pandemic, certain hotels suspended operations at various times throughout 2020 and, although the majority of those hotels were reopened by 2021, new suspensions and re-suspensions continued during the three months ended March 31, 2021. The operations of approximately 275 properties, which are primarily located in the U.S. and Europe, were suspended for some period of time during the three months ended March 31, 2021, as compared to approximately 730 properties during the three months ended March 31, 2020. While approximately 97 percent of our global hotel properties were open as of March 31, 2021, most properties, including those that reopened following suspensions of their operations, experienced significantly lower occupancy as compared to prior to the pandemic, as business and transient demand was lower due to factors related to the pandemic, such as travel restrictions and health and safety concerns.

The negative impact of the COVID-19 pandemic affected the Asia Pacific region in January 2020, before spanning to the U.S., Americas (excluding the U.S.), Europe and MEA regions in mid-March 2020. Therefore, the results for the three months ended March 31, 2021 and 2020 for the U.S., Americas (excluding the U.S.), Europe and MEA regions are less comparable than the Asia Pacific region and reflect more pronounced declines in RevPAR between the two periods. However, overall, signs of recovery are evident as our properties continue to reopen and, although we historically expect our revenues to be lowest in the first quarter given the seasonality of our industry, we had sequential monthly improvement in occupancy, ADR and RevPAR on a system-wide basis from December 2020 through March 2021, with a 23.2 percent improvement in system-wide RevPAR for the month of March 2021 as compared to the month of March 2020.

The table below provides a reconciliation of net income (loss) to EBITDA and Adjusted EBITDA:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (in millions) | |
| Net income (loss) | $ (109) | $ 18 |
| Interest expense | 103 | 94 |
| Income tax benefit | (35) | (35) |
| Depreciation and amortization expenses | 51 | 91 |
| EBITDA | 10 | 168 |
| Gain on foreign currency transactions | (2) | (9) |
| Loss on debt extinguishment | 69 | — |
| FF&E replacement reserves | 4 | 14 |
| Share-based compensation expense (benefit) | 39 | (12) |
| Impairment losses | — | 112 |
| Amortization of contract acquisition costs | 7 | 8 |
| Net other expenses from managed and franchised properties | 64 | 71 |
| Other adjustments[(1)] | 7 | 11 |
| Adjusted EBITDA | $ 198 | $ 363 |

(1) Includes severance and other items.

***Revenues***

| | Three Months Ended March 31, | | Percent Change |
|---|---|---|---|
| | 2021 | 2020 | 2021 vs. 2020 |
| | (in millions) | | |
| Franchise and licensing fees | $ 242 | $ 339 | (28.6) |
| | | | |
| Base and other management fees | $ 25 | $ 60 | (58.3) |
| Incentive management fees | 13 | 23 | (43.5) |
| Total management fees | $ 38 | $ 83 | (54.2) |

The COVID-19 pandemic began to significantly impact our franchise and licensing fees and management fees in March 2020. As a result of the pandemic, during the three months ended March 31, 2021 and 2020, the operations of certain of our franchised and managed hotels were suspended for some period of time. As of March 31, 2021, all but approximately 200 of these hotels were open.

In addition to the suspensions of hotel operations, the related reduction in global travel and tourism led to decreases in our hotel operating statistics during the three months ended March 31, 2021, compared to the same period in the prior year, and, ultimately, decreases in our franchise fees and management fees. For the three months ended March 31, 2021, RevPAR decreased 33.3 percent at our comparable franchised properties and 50.2 percent at our comparable managed properties, as a result of decreases in occupancy of 8.9 percentage points and 16.5 percentage points, respectively, and reduced ADR of 20.8 percent and 25.8 percent, respectively. The decreases in RevPAR during the period were primarily attributable to decreases in January 2021 and February 2021 when compared to the same period in the prior year, as March 2021 showed RevPAR improvement at both comparable franchised properties and managed properties of 25.7 percent and 17.6 percent, respectively, when compared to the same period in the prior year.

Including new development and ownership type transfers, from January 1, 2020 to March 31, 2021, we added 460 managed and franchised properties on a net basis, providing an additional 61,700 rooms to our management and franchise segment. While we have historically experienced increases to franchise fees and management fees as new hotels are a part of our system for full periods, the impact of the COVID-19 pandemic outweighed the positive impact of these property additions on our franchise fees and management fees from non-comparable hotels.

Additionally, licensing and other fees decreased $19 million during the three months ended March 31, 2021, primarily due to decreases in licensing fees from HGV and our strategic partnerships, which were the result of reductions in timeshare revenues and lower co-branded credit cardholder spend, respectively, both resulting from the COVID-19 pandemic.

Incentive fees decreased during the period as they are based on hotels' operating profits, which have declined from the prior year as a result of decreased demand due to the COVID-19 pandemic.

| | Three Months Ended March 31, | | Percent Change |
|---|---|---|---|
| | 2021 | 2020 | 2021 vs. 2020 |
| | (in millions) | | |
| Owned and leased hotels | $ 56 | $ 210 | (73.3) |

Owned and leased hotel revenues decreased primarily due to the COVID-19 pandemic and the related reduction in global travel and tourism. As a result of the COVID-19 pandemic, the operations of approximately 15 of our owned and leased hotels, all of which are located in Europe, were suspended for some period of time during the three months ended March 31, 2021, and five remained suspended as of March 31, 2021. Although the operations of some of our owned and leased hotels were suspended for some period of time during the three months ended March 31, 2020, the suspensions began in late March, when our owned and leased hotels began to be significantly impacted by the pandemic. The decrease in owned and leased hotel revenues was primarily attributable to the $114 million decrease in revenues from our comparable owned and leased hotels, due to reduced RevPAR of 79.6 percent, resulting from decreases in occupancy and ADR of 37.1 percentage points and 27.1 percent, respectively.

| | Three Months Ended March 31, | | Percent Change |
|---|---|---|---|
| | 2021 | 2020 | 2021 vs. 2020 |
| | (in millions) | | |
| Other revenues | $ 17 | $ 23 | (26.1) |

Other revenues decreased primarily due to decreased revenues from our purchasing operations, which predominately related to lower volume purchasing based on reduced hotel demand as a result of the COVID-19 pandemic.

***Operating Expenses***

| | Three Months Ended March 31, | | Percent Change |
|---|---|---|---|
| | 2021 | 2020 | 2021 vs. 2020 |
| | (in millions) | | |
| Owned and leased hotels | $ 110 | $ 239 | (54.0) |

Owned and leased hotel expenses decreased primarily due to a decrease in occupancy and certain hotels having suspended operations for some period of time as a result of the COVID-19 pandemic, which led to reduced variable operating costs and food and beverage expenses. Further, as a result of declining performance, variable rent, which is generally based on a percentage of hotel revenues or profits, decreased at most leased hotels that have a variable rent structure. However, certain fixed costs of maintaining these hotels, such as fixed rent and certain minimum maintenance and utility costs, even with suspended operations or operating with very low occupancy, could not be reduced at the same rate as the hotel revenue decreases during the period.

| | Three Months Ended March 31, | | Percent Change |
|---|---|---|---|
| | 2021 | 2020 | 2021 vs. 2020 |
| | (in millions) | | |
| Depreciation and amortization expenses | $ 51 | $ 91 | (44.0) |
| General and administrative expenses | 97 | 60 | 61.7 |
| Impairment losses | — | 112 | (100.0) |
| Other expenses | 10 | 14 | (28.6) |

The decrease in depreciation and amortization expenses was primarily due to a decrease in amortization expense, which was largely the result of certain management and franchise contract intangible assets recorded at the Merger becoming fully amortized during 2020.

The increase in general and administrative expenses was primarily due to increased share-based compensation expense as a result of a benefit recognized during the three months ended March 31, 2020 due to the reversal of previously recognized expense resulting from the determination that the performance conditions of certain then-outstanding performance shares were no longer probable of achievement, while compensation expense was recognized during the three months ended March 31, 2021 for all of the outstanding performance shares, which were probable of achievement. See Note 9: "Share-Based Compensation" in our unaudited condensed consolidated financial statements for additional information. This increase was partially offset by a decrease in corporate costs associated with the reorganization initiated by the Company in June 2020, in response to the COVID-19 pandemic.

During the three months ended March 31, 2020, we recognized impairment losses of $45 million, $21 million and $46 million for operating lease ROU assets, property and equipment and other intangible assets, respectively, related to our leased hotel properties. These impairment losses were due to a decline in results and expected future performance at the related hotels as a result of the COVID-19 pandemic.

Other expenses decreased primarily as a result of a decrease in expenses from our purchasing operations, resulting from reduced hotel demand, as well as a decrease in expenses related to a performance guarantee that was recognized during the three months ended March 31, 2020.

***Non-operating Income and Expenses***

| | Three Months Ended March 31, | | Percent Change |
|---|---|---|---|
| | 2021 | 2020 | 2021 vs. 2020 |
| | (in millions) | | |
| Interest expense | $ (103) | $ (94) | 9.6 |
| Gain on foreign currency transactions | 2 | 9 | (77.8) |
| Loss on debt extinguishment | (69) | — | NM[(1)] |
| Other non-operating income, net | 5 | — | NM[(1)] |
| Income tax benefit | 35 | 35 | — |

(1) Fluctuation in terms of percentage change is not meaningful.

The increase in interest expense was primarily due to the issuances of the 2025 Senior Notes and the 2028 Senior Notes in April 2020. These increases were partially offset by a decrease resulting from the issuances of new senior unsecured notes and extinguishments of existing senior unsecured notes in December 2020 and February 2021, which reduced the weighted average interest rate on our outstanding senior unsecured notes, as well as a decrease in interest expense on our Term Loan due to a decline in its variable interest rate that was applicable for the period. See Note 5: "Debt" in our unaudited condensed consolidated financial statements for additional information on our indebtedness.

The gains on foreign currency transactions included changes in foreign currency exchange rates on certain intercompany financing arrangements, including short-term cross-currency intercompany loans. The changes for both periods were the result of various currencies, but primarily the Australian dollar and the euro.

Loss on debt extinguishment for the three months ended March 31, 2021 related to the redemption of the 2026 Senior Notes and included a redemption premium of $55 million and the accelerated recognition of unamortized deferred financing costs of $14 million. See Note 5: "Debt" in our unaudited condensed consolidated financial statements for additional information.

The income tax benefit was flat during the three months ended March 31, 2021, as the increase in loss before income taxes was partially offset by a decrease in tax benefits recognized for losses in certain jurisdictions. Further, during the three months ended March 31, 2020, we recognized a tax benefit for impairment losses that were recognized during the period. For additional information, see Note 8: "Income Taxes" in our unaudited condensed consolidated financial statements.

***Segment Results***

Refer to Note 12: "Business Segments" in our unaudited condensed consolidated financial statements for reconciliations of revenues for our reportable segments to consolidated amounts and of segment operating income to consolidated loss before income taxes. We evaluate our business segment operating performance using segment operating income (loss), without allocating other revenues and expenses or general and administrative expenses.

Refer to "—Revenues" for further discussion of the decrease in revenues from our managed and franchised properties, which is correlated to our management and franchise segment revenues and segment operating income. Refer to "—Revenues" and "—Operating Expenses" for further discussion of the decreases in revenues and operating expenses at our owned and leased hotels, which are correlated with our ownership segment revenues and segment operating loss.

**Liquidity and Capital Resources**

***Overview***

As of March 31, 2021, we had total cash and cash equivalents of $2,447 million, including $45 million of restricted cash and cash equivalents. The majority of our restricted cash and cash equivalents are related to cash collateral on our self-insurance programs and cash held for FF&E reserves.

Although we cannot presently estimate the ultimate and total financial impact of the unprecedented COVID-19 pandemic, which is highly dependent on the severity and duration of the pandemic, we expect it will continue to have a significant adverse impact on our results of operations in the near term. As such, due to these uncertainties, and the indeterminate length of time the pandemic will affect the hospitality industry, we took certain proactive measures in 2020 to implement strict cost management and to secure our liquidity position to be able to meet our obligations for the foreseeable future, including issuing senior notes, drawing down on our Revolving Credit Facility and consummating the Honors Points Pre-Sale. Further, in February 2021, we issued the 2032 Senior Notes to continue to extend debt maturities and reduce our cost of debt by repaying the 2026 Senior Notes. Based on our ability to manage our liquidity position during the COVID-19 pandemic, we repaid an aggregate of $500 million of the outstanding debt balance on our Revolving Credit Facility during the three months ended March 31, 2021.

Our known short-term liquidity requirements primarily consist of funds necessary to pay for operating and other expenditures, including costs associated with the management and franchising of hotels, corporate expenses, payroll and compensation costs, taxes and compliance costs, interest payments on our outstanding indebtedness, contract acquisition costs and capital expenditures for required renovations and maintenance at the hotels within our ownership segment. While our accounts receivable balance as of March 31, 2021 is less than periods prior to the start of the pandemic, we are generally experiencing slower payment of certain fees due to us. As such, we have considered the implications of these delayed payment trends in developing our estimates of expected future credit losses.

Our long-term liquidity requirements primarily consist of funds necessary to pay for scheduled debt maturities, capital improvements to the hotels within our ownership segment, commitments to owners in our management and franchise segment and corporate capital and information technology expenditures. We have currently suspended dividend payments and share repurchases, but expect that these activities will be reinstated in future periods and result in uses of liquidity.

Although the COVID-19 pandemic has caused us to temporarily change our cash management strategy, we have a long-term investment policy that is focused on the preservation of capital and maximizing the return on new and existing investments and returning available capital to stockholders through dividends and share repurchases, which we expect to reimplement in the future. Within the framework of our investment policy, we currently intend to continue to finance our business activities

primarily with cash on our balance sheet as of March 31, 2021, cash generated from our operations and, as needed, the use of the available capacity of our Revolving Credit Facility.

After considering our approach to liquidity and accessing our available sources of cash, we believe that our cash position and sources of liquidity will be adequate to meet anticipated requirements for operating and other expenditures, including corporate expenses, payroll and related benefits, taxes and compliance costs and other commitments for the foreseeable future based on current conditions. The objectives of our cash management policy are to maintain the availability of liquidity while minimizing operational costs.

We may from time to time issue or incur or increase our capacity to incur new debt and/or purchase our outstanding debt through underwritten offerings, open market transactions, privately negotiated transactions or otherwise. Issuances or incurrence of new debt (or an increase in our capacity to incur new debt) and/or purchases or retirement of outstanding debt, if any, will depend on prevailing market conditions, liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

We formally suspended share repurchases in 2020 given the economic environment and our efforts to preserve cash, and no share repurchases have been made since March 2020. The stock repurchase program remains authorized by the board of directors, and we may resume share repurchases in the future at any time, depending on market conditions, our capital needs and other factors. As of March 31, 2021, approximately $2.2 billion remained available for share repurchases under the program.

***Sources and Uses of Our Cash and Cash Equivalents***

The following table summarizes our net cash flows:

| | Three Months Ended March 31, | | Percent Change |
|---|---|---|---|
| | 2021 | 2020 | 2021 vs. 2020 |
| | (in millions) | | |
| Net cash provided by (used in) operating activities | $ (171) | $ 129 | NM[1] |
| Net cash used in investing activities | (16) | (47) | (66.0) |
| Net cash provided by (used in) financing activities | (624) | 1,100 | NM[1] |

[1] Fluctuation in terms of percentage change is not meaningful.

***Operating Activities***

The change in cash flows from operating activities was primarily the result of decreases in cash inflows generated from our management and franchise properties and our owned and leased hotels, largely as a result of decreases in system-wide RevPAR due to the COVID-19 pandemic, as further discussed in "—Revenues," as well as an increase in contract acquisition costs of $32 million. The decrease was only partially offset by decreases in cash paid for taxes and interest of $25 million and $22 million, respectively.

***Investing Activities***

Net cash used in investing activities primarily related to capitalized software costs that were related to various systems initiatives for the benefit of both our hotel owners and our overall corporate operations and, during the three months ended March 31, 2020, also capital expenditures for property and equipment. These capital expenditures were incurred before we took steps in March 2020 to temporarily reduce such expenditures in response to the COVID-19 pandemic and were related to our corporate facilities and the renovation of hotels in our ownership segment .

***Financing Activities***

The change in cash flows from financing activities was primarily attributable to our Revolving Credit Facility, which we fully drew down during the three months ended March 31, 2020 in response to the COVID-19 pandemic, resulting in net cash inflows of $1.5 billion, while we repaid $500 million of the outstanding debt balance during the three months ended March 31, 2021. Additionally, cash outflows decreased $338 million as a result of decreases in share repurchases and dividend payments, as both programs remained suspended during the three months ended March 31, 2021.

***Debt and Borrowing Capacity***

As of March 31, 2021, our total indebtedness, excluding unamortized deferred financing costs and discount, was approximately $10.1 billion. For additional information on our total indebtedness, including our recent financing transactions, availability under our Revolving Credit Facility and guarantees on our debt, refer to Note 5: "Debt" in our unaudited condensed consolidated financial statements.

If we are unable to generate sufficient cash flow from operations in the future to service our debt, we may be required to reduce capital expenditures or issue additional equity securities. Our ability to make scheduled principal payments and to pay interest on our debt depends on our future operating performance, which is subject to general conditions in or affecting the hospitality industry that may be beyond our control. The COVID-19 pandemic negatively impacted our cash flows from operations during the period, and will continue to do so for an indeterminate period of time. During 2020, we took precautions to secure our cash position, as discussed above, and we expect to be able to meet our current obligations. Furthermore, we do not have any material indebtedness outstanding that matures prior to June 2024.

***Contractual Obligations***

During the three months ended March 31, 2021, we issued the 2032 Senior Notes, redeemed the 2026 Senior Notes and repaid $500 million of the outstanding debt balance on our Revolving Credit Facility. Otherwise, there were no other material changes to our contractual obligations from what we previously disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

**Summarized Guarantor Financial Information**

HOC is the issuer of the Senior Notes and is 100 percent owned directly by Hilton Worldwide Parent LLC ("HWP"), which, in turn, is 100 percent owned directly by the Parent. The Senior Notes are guaranteed jointly and severally on a senior unsecured basis by the Parent, HWP and substantially all of the Parent's direct and indirect wholly owned domestic restricted subsidiaries, except for HOC, the issuer (together, the "Guarantors"). The indentures that govern the Senior Notes provide that any subsidiary of the Company that provides a guarantee of our senior secured credit facilities will guarantee the Senior Notes. As of March 31, 2021, none of our foreign subsidiaries or domestic subsidiaries owned by foreign subsidiaries or our non-wholly owned subsidiaries guaranteed the Senior Notes.

The guarantees are full and unconditional, subject to certain customary release provisions. The indentures that govern the Senior Notes provide that any Guarantor may be released from its guarantee so long as: (i) the subsidiary is sold or sells all of its assets; (ii) the subsidiary is released from its guarantee under our senior secured credit facilities; (iii) the subsidiary is declared "unrestricted" for covenant purposes; or (iv) the requirements for legal defeasance or covenant defeasance or to discharge the indenture have been satisfied, in each case in compliance with applicable provisions of the indentures.

Neither HOC nor any of the Guarantors has any reporting obligation under the Exchange Act in respect of the Senior Notes; however, we are supplementally providing the information set forth below. The following tables present summarized financial information for HOC, along with the Parent and all other Guarantors, on a combined basis:

| | As of March 31, 2021 |
|---|---|
| | (in millions) |
| **ASSETS** | |
| Total current assets | $ 752 |
| Intangible assets, net | 8,782 |
| Total intangibles and other assets | 9,285 |
| **TOTAL ASSETS** | 10,037 |
| | |
| **LIABILITIES AND EQUITY (DEFICIT)** | |
| Total current liabilities | 1,954 |
| Long-term debt | 9,721 |
| Total liabilities | 15,362 |
| Total Hilton stockholders' deficit | (5,325) |
| **TOTAL LIABILITIES AND EQUITY (DEFICIT)** | 10,037 |

| | Three Months Ended March 31, 2021 |
|---|---|
| | (in millions) |
| **Revenues** | |
| Revenues | $ 243 |
| Other revenues from managed and franchised properties | 441 |
| Total revenues | $ 684 |
| | |
| **Expenses** | |
| Expenses | $ 89 |
| Other expenses from managed and franchised properties | 512 |
| Total expenses | $ 601 |
| | |
| **Operating income** | $ 83 |
| Interest expense | (100) |
| Income tax benefit | 23 |
| **Net loss** | (55) |
| **Net loss attributable to Hilton stockholders** | (55) |

**Critical Accounting Policies and Estimates**

The preparation of our unaudited condensed consolidated financial statements in accordance with GAAP requires us to make estimates and assumptions that affect reported amounts and related disclosures. We have discussed the policies and estimates that we believe are critical and require the use of complex judgment in their application in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020, and, during the three months ended March 31, 2021, there were no material changes to those previously disclosed.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

We are exposed to market risk primarily from changes in interest rates and foreign currency exchange rates. These rate changes may affect future income, cash flows and the fair value of the Company, its assets and its liabilities. In certain situations, we may seek to reduce volatility associated with changes in interest rates and foreign currency exchange rates by entering into derivative financial instruments intended to provide a hedge against a portion of the risks associated with such volatility. We continue to have exposure to such risks to the extent they are not hedged. We enter into derivative financial instruments to the extent they meet the objectives described above, and we do not use derivatives for speculative purposes. Our exposure to market risk has not materially changed from what was previously disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020; however, given the impact that the COVID-19 pandemic has had on the global economy, we continue to monitor our exposure to market risk and have adjusted, and will continue to adjust, our hedge portfolios accordingly.

**Item 4. Controls and Procedures**

**Disclosure Controls and Procedures**

The Company maintains a set of disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission ("SEC") rules and forms, and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. The design of any disclosure controls and procedures is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Any controls and procedures, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives. In accordance with Rule 13a-15(b) of the Exchange Act, as of the end of the period covered by this Quarterly Report on Form 10-Q, an evaluation was carried out under the supervision and with the participation of the Company’s management, including its Chief Executive Officer and Chief Financial Officer, of the effectiveness of its disclosure controls and procedures. Based on that evaluation, the Company’s Chief Executive Officer and Chief Financial Officer concluded that the Company’s disclosure controls and procedures, as of the end of the period covered by this Quarterly Report on Form 10-Q, were effective to provide

reasonable assurance that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and is accumulated and communicated to the Company's management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

**Changes in Internal Control Over Financial Reporting**

There has been no change in the Company's internal control over financial reporting during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

We are involved in various claims and lawsuits arising in the ordinary course of business, some of which include claims for substantial sums, including proceedings involving tort and other general liability claims, employee claims, consumer protection claims and claims related to our management of certain hotel properties. We recognize a liability when we believe the loss is probable and can be reasonably estimated. Most occurrences involving liability, claims of negligence and employees are covered by insurance with solvent insurance carriers. The ultimate results of claims and litigation cannot be predicted with certainty. We believe we have adequate reserves against such matters. We currently believe that the ultimate outcome of such lawsuits and proceedings will not, individually or in the aggregate, have a material adverse effect on our consolidated financial position, results of operations or cash flows. However, depending on the amount and timing, an unfavorable resolution of some or all of these matters could materially affect our future results of operations in a particular period.

### Item 1A. Risk Factors

As of March 31, 2021, there have been no material changes to the risk factors previously disclosed under "Part I—Item 1A—Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

### Item 3. Defaults Upon Senior Securities

None.

### Item 4. Mine Safety Disclosures

Not applicable.

### Item 5. Other Information

None.

**Item 6. Exhibits**

| Exhibit Number | Exhibit Description |
|---|---|
| 3.1 | Certificate of Incorporation of Hilton Worldwide Holdings Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on December 17, 2013). |
| 3.2 | Certificate of Amendment to Certificate of Incorporation of Hilton Worldwide Holdings Inc. effective as of January 3, 2017 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on January 4, 2017). |
| 3.3 | Amended and Restated By-Laws of Hilton Worldwide Holdings Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on August 2, 2019). |
| 4.1 | Indenture with respect to the 3.625% Senior Notes due 2032, dated as of February 2, 2021, by and among Hilton Domestic Operating Company Inc., the guarantors from time to time party thereto and Wilmington Trust, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on February 4, 2021). |
| 4.2 | Form of 3.625% Senior Note due 2032 (included in Exhibit 4.1). |
| 10.1 | Amended and Restated License Agreement, dated March 10, 2021, by and between Hilton Worldwide Holdings Inc. and Hilton Grand Vacations Inc. |
| 10.2 | Form of 2021 Performance Award Agreement.* |
| 10.3 | Form of 2021 Restricted Stock Unit Agreement.* |
| 10.4 | Form of 2021 Nonqualified Stock Option Agreement.* |
| 31.1 | Certificate of Christopher J. Nassetta, President and Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2 | Certificate of Kevin J. Jacobs, Chief Financial Officer and President, Global Development, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32.1 | Certificate of Christopher J. Nassetta, President and Chief Executive Officer, pursuant to Section 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith). |
| 32.2 | Certificate of Kevin J. Jacobs, Chief Financial Officer and President, Global Development, pursuant to Section 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith) Certificate of Kevin J. Jacobs, Chief Financial Officer and President, Global Development, pursuant to Section 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith). |
| 101.INS | Inline XBRL Instance Document - this instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. |
| 101.SCH | Inline XBRL Taxonomy Extension Schema Document. |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase Document. |
| 101.DEF | Inline XBRL Taxonomy Extension Definition Linkbase Document. |
| 101.LAB | Inline XBRL Taxonomy Extension Label Linkbase Document. |
| 101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase Document. |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document). |

* This document has been identified as a management contract or compensatory plan or arrangement.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

**Signatures**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HILTON WORLDWIDE HOLDINGS INC.

By: /s/ Christopher J. Nassetta
Name: Christopher J. Nassetta
President and Chief Executive Officer

By: /s/ Kevin J. Jacobs
Name: Kevin J. Jacobs
Chief Financial Officer and President, Global Development

Date: May 5, 2021

**AMENDED AND RESTATED LICENSE AGREEMENT**

**by and between**

**HILTON WORLDWIDE HOLDINGS INC.**

**and**

**HILTON GRAND VACATIONS INC.**

**Dated as of March 10, 2021**

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* *As set forth in the Original Agreement*

**AMENDED AND RESTATED HGV LICENSE AGREEMENT**

This AMENDED AND RESTATED HGV LICENSE AGREEMENT (the "Agreement"), dated as of March 10, 2021 (the "Amendment Date"), is entered into by and between Hilton Worldwide Holdings Inc., a Delaware corporation ("Licensor"), and Hilton Grand Vacations Inc., a Delaware corporation ("Licensee"). Each of Licensor and Licensee is referred to herein as a "Party" and collectively, as the "Parties."

**WITNESSETH:**

WHEREAS, Licensor, Park Hotels & Resorts Inc., a Delaware corporation ("PHRI"), and Licensee entered into that certain Distribution Agreement, dated as of January 2, 2017 (the "Distribution Agreement"), pursuant to which, among other things, Licensor and Licensee separated into independent, publicly traded companies;

WHEREAS, in connection with the execution of the Distribution Agreement, the Parties entered into the HGV License Agreement, dated as of January 2, 2017 (the "Original Agreement" and the date of such Original Agreement, the "Effective Date"), pursuant to which Licensor, which, directly or indirectly, owns the Licensed IP and possesses the Hilton Data (as defined herein), licensed the Licensed IP and Hilton Data to Licensee for use in its Vacation Ownership Business subject to the terms and conditions of the Original Agreement;

WHEREAS, Licensee intends to acquire that certain Vacation Ownership Business of Diamond Resorts International, Inc., a Delaware corporation ("Diamond"), pursuant to that Agreement and Plan of Merger, dated March 10, 2021 (the "Merger Agreement"), by and among Licensee, Hilton Grand Vacations Borrower LLC, a Delaware limited liability company and a wholly owned subsidiary of Licensor ("Merger Sub" or "HGV Borrower"), Dakota Holdings, Inc., a Delaware corporation ("Dakota"), and the stockholders of Dakota;

WHEREAS, pursuant to the Merger Agreement, at the "*Effective Time*" of the Merger (as defined and specified therein), Dakota will merge with and into Merger Sub (such merger, the "Merger," the closing of such Merger, the "Closing");

WHEREAS, pursuant to the Original Agreement, Hilton has provided its prior written consent to the Transaction, as required by Section 9.2 and Section 9.3 therein, as more fully set forth in such consent (the "Consent"); and

WHEREAS, in furtherance of the Merger and recognition of the necessity to gradually integrate the Diamond Business with the business of Licensee (the "Integration"), the Parties desire to amend and restate the Original Agreement to facilitate the Integration and make certain other modifications to the Original Agreement by entering into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements and covenants contained in this Agreement, the Parties hereby agree as follows:

ARTICLE I
LICENSES

Section 1.1 Trademark License.

(a) Subject to the terms and conditions herein, during the Term, Licensor hereby grants to Licensee a license to use the Licensed Marks as Trademarks in the Territory in connection with the current and future operation of the Licensed Vacation Ownership Business. Such license shall be exclusive for the Term. For clarity, (i) the above license covers only the exact Licensed Marks, and Licensee may not use the term "Hilton" standing alone or, except as permitted by the Licensor Brand Identity Guidelines any variations, derivatives, abbreviations or stylizations of the Licensed Marks, in each case, without Licensor's prior written consent, and (ii) the above exclusivity means that, during the Term, Licensor will not use (or allow others to use) the Licensed Marks in connection with the Licensed Vacation Ownership Business.

(b) Without the prior written consent of Licensor, Licensee shall not (i) bid for, purchase, register or use the term "Hilton" or any other Trademark owned by Licensor or its Subsidiaries as or as part of any key word, ad word, metatag or similar device designed to attract viewers or users in online, social, mobile or other media or (ii) link to or frame any website, online, social or mobile media property or venue of Licensor that Licensee is not already linking to or framing as of the Effective Date, regardless of whether the foregoing constitutes trademark use under applicable Laws.

(c) Licensee hereby grants to Licensor and its Subsidiaries a non-exclusive sublicense during the Term to (i) use the Licensed Marks and (ii) use and exercise the intellectual property rights in the Licensed Content, in each case, to the extent necessary to advertise and promote the Licensed Vacation Ownership Business on Licensee's behalf during the Term. Licensee may further sublicense the above license in connection with the foregoing.

Section 1.2 Content License

. Subject to the terms and conditions herein, during the Term, Licensor hereby grants to Licensee a license to use, reproduce, distribute, perform and display the Licensed Content in the Territory solely in connection with the current and future operation of the Licensed Vacation Ownership Business. Such license shall be exclusive for the Noncompetition Term and non-exclusive for the remainder of the Term. Licensee may modify Licensed Content for format or technical reasons, but may not make substantive or artistic changes thereto, without Licensor's prior written consent.

Section 1.3 Software Licenses.

(a) Licensor hereby at its option (i) grants to Licensee a non-exclusive sublicense or (ii) agrees to cause an Affiliate to grant to Licensee a non-exclusive license, in each case, during the Term to use the Licensed Software in connection with the Licensed Vacation Ownership Business. Licensee shall comply with all terms and conditions of the applicable license or sublicense (which shall be equivalent in all material respects to the then-

current version of the Hilton Information Technology System Agreement) in connection with such use.

(b) Licensor hereby grants to Licensee the non-exclusive right during the Term to access the Licensed System and provide the Licensed System with information as to the current inventory of vacant rooms at Licensed Vacation Ownership Properties.

Section 1.4 Data Access

. Subject to the terms and conditions herein, Licensor hereby grants to Licensee the rights to use the Hilton Data as set forth in Section 14.2(b).

Section 1.5 Marketing Rights

(a) Subject to the terms and conditions herein, during the Noncompetition Term, Licensor hereby grants to Licensee the right to market the Licensed Vacation Ownership Business at Licensor's corporate-level advertising channels, including websites and social media properties (but not the channels of individual Hilton-branded properties). No additional fee or cost shall be payable by Licensee to Licensor for the marketing rights described in this Section 1.5(a).

(b) Licensee may request Licensor's cooperation for additional marketing or resourcing, exclusively for marketing the Licensed Vacation Ownership Business; provided, that, Licensee will bear all actual costs and expenses associated therewith.

(c) The foregoing marketing rights in (a) and (b) are exclusive, meaning that during the Noncompetition Term, Licensor will not allow any other Person to market a Vacation Ownership Business through such channels.

Section 1.6 Brand Displays

. Licensor acknowledges and agrees that during the Noncompetition Term, Licensor shall, wherever legally permissible, include (i) the Licensed Mark "Hilton Grand Vacations" on its brand bar, and similar displays where Licensor advertises all of the Hilton Marks for the Licensor Lodging Business, and (ii) inventory of transient rentals for the Licensed Vacation Ownership Properties in all proprietary and third-party advertising venues that list such inventory for the Licensor Lodging Business, in each case, in the same manner and quality Licensor provided prior to the date of this Agreement.

## ARTICLE II
## EXCLUSIVITY AND RESERVED RIGHTS

Section 2.1 [Intentionally Omitted]

Section 2.2 Exclusivity

(a) Until December 31, 2051 (the "Initial Noncompetition Term"), Licensor will not: (x) engage or license any Person to engage in the Vacation Ownership Business worldwide under any Trademark; (y) use or license any Person to use the Licensed IP or Hilton Data in connection with the Vacation Ownership Business; and/or (z) allow any

Person engaged in the Vacation Ownership Business, other than Licensee, to participate in the Loyalty Program.

(b) The Initial Noncompetition Term shall be extended for additional 10-year terms (each 10-year term, a "Renewal Noncompetition Term" and together with the Initial Noncompetition Term, the "Noncompetition Term"), if Licensee satisfies the criteria in either clause (i) or (ii) below in calendar year 2051 (or the final calendar year of any Renewal Noncompetition Term) (each, a "Measuring Year"):

(i) Licensee's Gross Revenues in a Measuring Year must be equal to or greater than 80% of $1,493,000,000 USD (Licensee's 2016 projected Gross Revenues) as inflated to such Measuring Year dollars by the CPI Adjustment. For example, if Licensee had 2016 Gross Revenues of $100 USD, and that translated into $300 in projected Gross Revenues in 2051 due to CPI Adjustments, Licensee's minimum 2051 revenue to renew the Noncompetition Term until December 31, 2061 would be $240; or

(ii) Licensee must generate the sum of the Gross Sales Price and Fee For Services Sales Price in a Measuring Year that rank first, second or third among Vacation Ownership Business worldwide, based on revenues disclosed in audited financial reports for such Measuring Year (or a comparable mutually-agreed metric, if such annual contract sales are no longer publicly reported).

(c) If Licensee does not satisfy clause (i) or (ii) during a Measuring Year, Licensee may retain the Noncompetition Term for one year terms by paying Licensor 5% of the shortfall between Licensee's actual Gross Revenues for the Measuring Year and 100% of Licensee's projected Gross Revenues for the Measuring Year as set forth in clause (i) (each, a "Shortfall Payment"). The Shortfall Payment shall be due within 30 days after the end of the Measuring Year. For example, if Licensee had 2016 Gross Revenues of $100, and that translated into $300 in projected Gross Revenues in 2051 due to CPI Adjustments, and Licensee's Gross Revenues were $220 in 2051, that would be a shortfall of $80, and Licensee would submit a Shortfall Payment of $80 times 5% for the Royalty, or $4.

(d) Licensee shall be allowed a maximum of five consecutive Shortfall Payments during any Renewal Noncompetition Term, with no carryover of unused Shortfall Payments into the next Renewal Noncompetition Term. If during any year of noncompetition afforded by a Shortfall Payment, Licensee satisfies clause (i) or (ii), the Noncompetition Term shall be extended by a 10-year Renewal Noncompetition Term beginning at the end of the prior Measuring Year. For example, if Licensee's Gross Revenues are $220 in 2051, Licensee would make the above $4 Shortfall Payment for 2051, and if in 2052 Licensee's Gross Revenues meet the target, the Noncompetition Term would renew until December 31, 2061. If after five consecutive Shortfall Payments, Licensee fails to satisfy clauses (i) or (ii), the Noncompetition Term expires on December 31st in the year in which the last Shortfall Payment was made.

(e) If the Noncompetition Term terminates under Section 2.2(a) or Section 2.6(a), Licensor shall notify Licensee of same in writing. Thereafter, Licensee will continue to be bound by its obligations in this Agreement including Article IX, but Licensor may (and may assist or allow other Persons to) engage in the Vacation Ownership Business in any form

and under any Trademark (other than "HGV," "Hilton Grand Vacations," "Hilton Grand Vacations Club," or any New Brand) worldwide for the remainder of the Term.

Section 2.3 Licensor's Reserved Rights

. Licensor reserves all rights not expressly licensed to Licensee hereunder, including without limitation, the right to Operate any business or properties and/or use the Licensed IP and Hilton Data in any manner that does not violate Licensee's exclusive rights herein. Licensor may sell, assign or license the Hilton Marks (other than the Licensed Marks) without Licensee's consent, and any acquirer, assignee or licensee shall have no obligation to Licensee herein.

Section 2.4 Licensee's Reserved Rights

. Licensee reserves the right to engage in any activity worldwide not expressly prohibited in this Agreement.

Section 2.5 Similar Lines of Business

. Licensee may engage in the Fractional Vacation Club Business and the Whole Ownership Business, as a Separate Operation (or as part of the Licensed Vacation Ownership Business, subject to Licensor's prior written consent), at any time during the Term. Licensor may engage in the Fractional Vacation Club Business and the Whole Ownership Business at any time during the Term.

Section 2.6 Licensor Transactions.

(a) Notwithstanding Section 2.2(a), if at any time during the Noncompetition Term, Licensor merges with or acquires direct or indirect Control of a Person that operates a Vacation Ownership Business as well as a Lodging Business (in either an equity or asset acquisition), Licensor shall use commercially reasonable efforts to allow Licensee to acquire or manage such acquired Vacation Ownership Business (the "Acquired Vacation Business") as a Licensed Vacation Ownership Business herein. For the avoidance of doubt, Licensor has no obligation to include Licensee in any pre-closing discussions or negotiations with the third-party counter-party and may elect to present Licensee with the opportunity to acquire or manage the Acquired Vacation Business only after closing of the business transaction and, in either case, Licensor may proceed with the transaction whether or not Licensee acquires or manages the Acquired Vacation Business. For the avoidance of doubt, during the Noncompetition Term Licensor may not merge with or acquire direct or indirect Control of a Person that operates solely a Vacation Ownership Business.

(b) If Licensee does not acquire or manage the acquired Vacation Ownership Business: (i) Licensor shall have no further obligations to include Licensee in the ownership or management of the Acquired Vacation Business; (ii) Licensor may merge its Loyalty Program with the loyalty program of the Acquired Vacation Business and, notwithstanding the exclusivity and non-competition provisions herein, compete in the Vacation Ownership Business using the Hilton Marks (but not the Licensed Marks), Hilton Data and the Loyalty Program in connection with such Acquired Vacation Business; and (iii) during the Noncompetition Term, Licensor shall use Reasonable Best Efforts to continue to provide

Licensee the Licensed IP and Hilton Data on a basis comparable to Licensor's past practice under this Agreement.

(c) If, on the closing date for the acquisition of the Acquired Vacation Business, 90% of all ownership interests, use rights, or other entitlements to use overnight accommodations in the Vacation Ownership Properties within such business ("Acquired Vacation Property Inventory") have been sold to Persons for their own use such that the Acquired Vacation Property Inventory is not being actively marketed, during the Noncompetition Term, Licensor shall not use the Hilton Data to sell any newly created Acquired Vacation Property Inventory or develop new Vacation Ownership Properties under the Acquired Vacation Business unless Licensee is given the right of first offer to manage such properties. However, Licensor shall be permitted to use the Hilton Data to sell any existing unsold Acquired Vacation Property Inventory or existing Acquired Vacation Property Inventory that may become available through foreclosure or otherwise comes available to Licensor.

## ARTICLE III
## FEES

Section 3.1 Royalty Fees.

(a) (i) Subject to Section 3.1(d), Licensee shall pay to Licensor a royalty (the "Royalty") for the rights granted to Licensee under this Agreement in an amount equal to five percent (5%) of Gross Revenues.

(ii) Except for the limited exception for Non-Licensed Existing Projects below, if Licensee develops Vacation Ownership Properties or acquires Vacation Ownership Properties from a Person other than a Hilton Competitor and they are not operated as Separate Operations, the Royalty shall apply to such Vacation Ownership Properties as if they were Licensed Vacation Ownership Properties, even if such properties are not Licensed Vacation Ownership Properties. The Royalty shall also apply to all Transient Rental Revenue at any Vacation Ownership Properties other than set forth in Section 3.1(d) that use the Licensed IP or Hilton Data. For clarity, Licensee shall not owe a Royalty arising out of its Vacation Ownership Properties that are operated as Separate Operations.

(iii) If Licensee permits Non-Licensed Existing Projects, or other non-licensed Vacation Ownership Properties with which Licensee has entered into a Marketing Agreement pursuant to Section 9.6(d), to be exchanged pursuant to an arrangement between the Licensed Exchange Program and a non-licensed Exchange Program whereby individual owners of the non-licensed Vacation Ownership Properties do not have full access to the Loyalty Program through the Licensed Exchange Program, then the Royalty shall be due only on the applicable Club Revenue portion of the Gross Revenue. If Hilton Data is used to market the sale of units at Non-Licensed Existing Projects, then the Royalty shall be due on Gross Sales Price, Club Revenue, and Marketing Package Revenues.

(b) A sale occurs for Royalty purposes pursuant to Section 3.1(a) with respect to the initial sale or re-sale of an interest in Licensed Vacation Ownership Property when all

of the following conditions have been satisfied, regardless of when, or whether, any part of the Gross Sales Price or Fee For Services Sales Price are actually paid to, or received by or on behalf of, Licensee.

(i) A written agreement ("Purchase Contract") is executed by a purchaser and has been accepted by Licensee pursuant to which such purchaser contractually commits to acquire such interest;

(ii) With respect to purchase money financing provided by or through Licensee or its Affiliates, if any, such purchaser has duly executed all applicable sales and purchase money financing documents in respect of such Purchase Contract;

(iii) Such purchaser has duly tendered payment of the full purchase price in respect of such Purchase Contract (or full installments thereof in the case of purchase money financing, as applicable) by cash, by check which has cleared, or by credit card which has been duly processed) to either (x) Licensee or its Affiliates or (y) a fiduciary, escrow agent, trustee or other independent third-party designated by Licensee or its Affiliates, as may be required by applicable Laws;

(iv) All rescission periods applicable to such Purchase Contract have expired, without any such right of rescission having been exercised; and

(v) All pre-conditions set forth in such Purchase Contract and any legal requirements under the applicable Laws in order to close the transaction which is the subject of the Purchase Contract as set forth in such Purchase Contract shall have been duly satisfied, without the purchaser having exercised any right of cancellation afforded such purchaser under the terms of such Purchase Contract or under the applicable Laws.

(vi) To the extent that the sale of a Licensed Vacation Ownership Property meets (i) through (v) above, but such Licensed Vacation Ownership Property has not achieved a Certificate of Occupancy granted by relevant municipalities that approve the use by a purchaser of the Licensed Vacation Ownership Property, the sale for Royalty purposes will be multiplied by the Percentage of Completion. The Percentage of Completion will be calculated and applied to such Licensed Vacation Ownership Property each reporting period until such time that the Licensed Vacation Ownership Property achieves its Certificate of Occupancy, at which time and for all periods thereafter, the Percentage of Completion will be 100%.

(c) The Gross Sales Price or Fee For Services Sales Price shall, for purposes of calculating the Royalty under Section 3.1(a), exclude the amount attributable to a gross up for imputed interest associated with a zero percent (0%) or below market interest rate program used in relation to financing a purchaser's acquisition of interests in a Licensed Vacation Ownership Property, but only where the Gross Sales Price or Fee For Services Sales Price is offered at different amounts to the customers on a programmatic basis, depending on the financing or payment terms selected by the customer.

(d) Royalty Related to Certain Diamond Business During Integration Period. Starting on the beginning of the Integration Period, Licensee shall pay to Licensor the

adjusted Royalty ("New Brand Royalty") set for the below for all New Brand Gross Revenue in exchange for the rights granted to Licensee under this Agreement:

(i) During Year 1 of the Integration Period: 2.0%;

(ii) During Year 2 of the Integration Period: 2.0%;

(iii) During Year 3 of the Integration Period: 3.0%;

(iv) During Year 4 of the Integration Period: 4.0%; and

(v) During Year 5 of the Integration Period and thereafter: 5.0%.

(e) In addition to New Brand Royalty on New Brand Gross Revenues, Licensee shall pay to Licensor the adjusted Royalty for New Brand Eligible HOA Expenses in accordance with the following:

(i) During Year 1 of the Integration Period: 0.0%;

(ii) During Year 2 of the Integration Period: 0.5%;

(iii) During Year 3 of the Integration Period: 1.0%;

(iv) During Year 4 of the Integration Period: 1.5%; and

(v) During Year 5 of the Integration Period and thereafter: 1.5%

For the avoidance of doubt, the immediately preceding adjusted Royalty provision for New Brand Eligible HOA Expenses shall apply only to New Brand Licensed Vacation Ownership Properties resulting from the Diamond Properties Conversion in accordance with Section 5.2(d).

(f) For the purposes of Section 3.1(d) and (e), each "Year" is a 12-month period that begins on the first day of the month immediately following the month in which the Closing occurs and subsequent annual anniversaries of such date.

(g) For the avoidance of any doubt, the Royalty that is calculated pursuant to Sections 3.1(a) through 3.1(c) shall not apply to, and will be without any duplication of, any of the revenues that are used to calculate New Brand Royalty pursuant to Section 3.1(d) and the definition of "Licensed Vacation Ownership Properties" as used in Sections 3.1(a) through 3.1(c) shall not include any Diamond Properties that become Licensed Vacation Ownership Properties in accordance with Section 5.2.

Section 3.2 Additional Fees

. In addition to the Royalty, Licensee shall pay to Licensor:

(a) An annual transition fee for the first five years of the Term of $5 million per year.

(b) The then-current Loyalty Program fee for eligible guest folios, subject to caps in place as of the Effective Date for a period of twenty (20) years from the Effective Date. At the end of such twenty (20) year period, the caps will be eliminated and Licensee will pay the same Loyalty Program fee that is in effect for Licensor Lodging Properties. With respect to New Brand Licensed Vacation Ownership Properties, Licensee will pay the same Loyalty Program fee for eligible guest folios that is currently in effect for Licensor Lodging Properties.

Section 3.3 Other Costs

. Licensee shall pay Licensor fees covering Licensor's proportionate costs for Licensee's use of the Licensed Software. Licensee shall pay the non-refundable, up-front installation costs (if any) for the Licensed Software to be installed at any additional Licensed Vacation Ownership Properties, which shall include sales centers that are not in existence as of the Effective Date.

Section 3.4 Reimbursement

. Licensee shall reimburse Licensor for its costs (without profits) that would typically be covered by the Program Fee, including marketing campaigns in which Licensee participates under Section 9.5 or Section 9.6 below or enhancements to the Licensed Software that are provided to all of Licensor Lodging Properties, provided that Licensee will pay such costs only for services that Licensee uses. Licensee shall also reimburse Licensor for all costs associated with Call transfer services, GBCS Services used by Licensee, central delivery used by Licensee, third party reservation charges, guest assistance services and the handling of guest complaints, whether such guests are Loyalty Program members or not.

Section 3.5 Licensee Forecasts

. At least one month prior to the end of each of Licensor's fiscal years during the Term, Licensee shall provide to Licensor a forecast of its projected Royalties, New Brand Royalties (if applicable), Gross Revenues (separated by the categories in the definition of "Gross Revenues" herein), and New Brand Gross Revenue (separated by the categories in the definition of "New Brand Gross Revenues" herein, if applicable) for Licensor's upcoming fiscal year, and then after each fiscal year quarter during the Term, Licensee shall provide to Licensor the actual Royalties, any applicable New Brand Royalties, Gross Revenues, and any applicable New Brand Gross Revenue for such prior quarter and an updated rolling forecast of outstanding quarterly royalties for the remainder of Licensor's then current fiscal year.

Section 3.6 Making of Payments

. The Royalty and all additional fees due in this Article III shall be paid within thirty (30) days following the end of each calendar quarter. All other payments herein shall be made within thirty (30) days after receipt of an invoice from Licensor. Licensee shall pay via a wire transfer (or other method reasonably designated by Licensor) of immediately available funds, pursuant to Licensor's commercially reasonable instructions. All amounts payable to Licensor shall be invoiced in U.S. dollars unless Licensor otherwise designates another currency. The exchange rate shall be set each month by Licensor as taken from an international reporting service. Licensee shall submit to Licensor, within eight (8) business days after the end of each month, a statement in the form reasonably required by Licensor

that includes all Information required by Licensor to determine all due payments hereunder, and on a quarterly basis, such statement will also aggregate the amounts presented on the monthly statement itemizing the various revenue streams to Licensor that constitute the Royalty. Such Information is not Licensee's Confidential Information and Licensor may use or disclose it for authorized business purposes.

Section 3.7 Interest on Late Payments

. If a Party does not make any payment due under this Agreement within fourteen (14) days after its due date, such Party shall pay interest from the due date until the date of payment compounded monthly, at the interest rate of an annual rate equal to the lesser of (i) the prime rate (as published by the Wall Street Journal or, if no longer published, such other similar source as reasonably selected by Licensor) applicable on the date such payment is due and on each date thereafter that interest is compounded, plus eight (8) percentage points and (ii) the highest rate then permitted by applicable Laws.

Section 3.8 Currency and Taxes

. Licensee shall bear and be responsible for all taxes, duties and deductions (including any sales, value added, use, excise, gross receipts, income, goods and service taxes, stamp or other duties, fees, deductions, withholdings or other payments, and including penalties and interest as a result of failure to comply) (collectively, "Taxes") levied on, deducted or withheld from, or assessed or imposed on any payments made by Licensee hereunder. If Licensor or its designee pays any such amounts due, then Licensee must reimburse Licensor therefor. Licensee shall gross-up all payments herein so that Licensor receives the same amount that it would have received if no Taxes were applicable.

## ARTICLE IV
## TERM

Section 4.1 Initial Term

. The term of this Agreement begins on the Effective Date and expires on December 31, 2116 (the "Term").

Section 4.2 Extension Term; Tail Period

. For a period of thirty (30) years following the Term (if it expires on December 31, 2116 and is not earlier terminated) ("Tail Period"), Licensee shall have a non-exclusive license (but no obligation) to use the Licensed IP (and a non-exclusive right to access and use the Hilton Data and Loyalty Program) in connection with any Licensed Vacation Ownership Properties in existence at the end of the Term (including any new Licensed Vacation Ownership Properties under development and approved by Licensor as of such date), provided that: (i) Licensee complies with all terms and conditions herein; (ii) the exclusivity granted in Section 2.2(a) (if not earlier terminated) shall immediately terminate at the expiration of the Term (not including the Tail Period); and (iii) Licensee shall be required to pay the Royalty and other payments due under Article III during the Tail Period for so long as such properties use the Licensed IP, Hilton Data or Loyalty Program. All other applicable terms and conditions of this Agreement, including Licensee's requirement to pay all fees in Article III other than the Royalty, shall be in force during the Tail Period.

ARTICLE V
EXISTING AND NEW PROJECTS

Section 5.1 Existing Projects

. The Vacation Ownership Properties listed on Exhibit I of the Original Agreement, as may have been updated between the Parties through the date hereof, or as may be updated among the Parties in the future, shall be deemed "Licensed Vacation Ownership Properties" herein. Additionally, Diamond Properties that are approved by Licensor to carry the New Brand pursuant to 5.2(d) below shall also be deemed "Licensed Vacation Ownership Properties."

Section 5.2 New Projects.

(a) Except with respect to the conversion of Diamond Properties into New Brand Licensed Vacation Ownership Property, which is covered solely pursuant to Section 5.2(d), if Licensee notifies Licensor that it wishes to develop additional Vacation Ownership Properties that use Hilton Marks (other than the Licensed Marks) either alone or as co-branding with any Licensed Marks, it shall notify Licensor in writing by submitting to Licensor a written application that contains all material information with respect thereto. Licensor may, in its sole discretion, grant Licensee a license to use such additional Trademarks in connection therewith, pursuant to a separate agreement or an amendment to this Agreement.

(b) If Licensee notifies Licensor that it wishes to (i) develop or acquire additional Vacation Ownership Properties that would use the Licensed Marks or (ii) expand the scope or size of an existing Licensed Vacation Ownership Property (if such expansion was not included in the original proposal for the property approved by Licensor), it shall notify Licensor in writing by submitting to Licensor a written application that contains all material information with respect thereto. Licensor shall not unreasonably withhold its approval for such Vacation Ownership Properties to use the Licensed IP and Hilton Data (and upon such approval, such properties shall become "Licensed Vacation Ownership Properties" herein) if the proposed additional Vacation Ownership Property or proposed expansion to an existing Licensed Vacation Ownership Property (each, a "New Property") and Licensee's intended operation thereof complies with the then-current Standards and Agreements and:

(i) the development of the proposed New Property would not breach, or be reasonably likely to breach, any applicable Laws or agreement between Licensor or its Affiliates, including territorial restrictions or areas of protection;

(ii) the proposed New Property will not involve any co-investor that (a) is a Hilton Competitor, (b) is known in the community as being of bad moral character, (c) has been convicted in any court of a felony or other offense that could result in imprisonment for one (1) year or more or a fine or penalty of one million dollars ($1,000,000) (as adjusted annually after the Effective Date by the CPI Adjustment) or more (or is in Control of or Controlled by Persons who have been convicted in any court of felonies or such offenses), or (d) is (or has an Affiliate that is) a Blocked Person; and

(iii) the proposed New Property is not reasonably likely to harm Licensor, the Licensed IP, the Hilton Data or the goodwill associated therewith.

(c) Licensor shall provide the plans and specifications for each New Project to Licensor for review and inspection to ensure that they are in compliance with this Agreement and the Standards and Agreements. Licensee shall pay Licensor a fixed fee for such review. Notwithstanding such review and inspection, as between the Parties, Licensee is responsible for ensuring that all aspects of each New Project comply with all applicable Laws, this Agreement and the Standards and Agreements, and Licensor disclaims all liability for any of same.

(d) With respect to the Integration of the Diamond Business and the conversion of certain of Diamond Properties to Licensed Vacation Ownership Properties (the "Diamond Properties Conversion"), any such conversions will be subject to Licensor's prior approval and the Parties will cooperate in good faith to develop an approval and review process that is applicable for such approval.

Section 5.3 Undeveloped Parcels.

(a) Licensee has listed on Exhibit J of the Original Agreement all real estate owned by Licensee that have not been developed as of the Effective Date ("Undeveloped Parcels"). Licensor hereby approves the Undeveloped Parcels as sites for future New Properties, which shall be subject to Section 5.2.

(b) If Licensee wishes to sell an Undeveloped Parcel (or any part thereof or rights therein) to any Person other than a Hilton Competitor, Licensee will notify Licensor, and for thirty (30) days after such notice, the Parties shall negotiate in good faith towards a sale agreement. If no such agreement is executed in such time period, for 270 days thereafter, Licensee shall be free to execute such sale with such Person, so long as the sale price is at least 95% of the sale price proposed to Licensor. Licensee shall promptly provide Licensor with all information reasonably requested by Licensee to confirm Licensee's compliance with this Section 5.3(b).

(c) If Licensee wishes to sell an Undeveloped Parcel (or any part thereof or rights therein) to a Hilton Competitor, Licensee will notify Licensor, and Licensor shall have a right of first refusal on such purchase for 30 days, on the same terms set forth in the offer from the Hilton Competitor. If the third party offer provides for payment of consideration other than cash, Licensor may offer commercially reasonable cash equivalent.

(d) Licensee agrees that any purported transaction in violation of Licensor's rights in this Section 5.3 shall be deemed null and void at the outset and of no force or effect, and Licensor shall be entitled to equitable relief, including rescission, to effect such nullification.

Section 5.4 Projects at Third-Party Hotels

. Licensee shall not participate in a New Property that is a mixed-use development project (whether or not such New Property uses the Licensed IP and/or Hilton Data) that includes Hilton Competitors without Licensor's prior written consent, except for those projects set forth on Exhibit K of the Original Agreement or such properties (or any interests

therein or portions thereof) acquired by Licensee in connection with the Merger as set forth on Schedule 5.4.

Section 5.5 Future Franchise and Management Agreements

. Licensor will use commercially reasonable efforts to ensure that any third-party management, operating and franchise agreements for Licensor Lodging Properties (i) if executed after the Effective Date, include commercially reasonable provisions to ensure that third party hotel owners and franchisees do not (and do not allow other Persons to) operate, promote or sell interests in Vacation Ownership Properties other than Licensed Vacation Ownership Properties in connection with such Licensor Lodging Property; and (ii) if executed as of the Effective Date, retain the above-described provisions, if such retention can be achieved with no material concession or liability by Licensor. Licensor shall not be liable to Licensee for any failure to obtain the above provisions, if it exercises the above commercially reasonable efforts in this regard.

Section 5.6 Vacation Ownership Properties at Licensor Lodging Properties.

(a) If a third-party developer of a Licensor Lodging Property intends to develop a Vacation Ownership Property as a component thereof (the "Co-Located Licensor Lodging Property"), Licensor will notify Licensee and use commercially reasonable efforts to allow Licensee to negotiate with such developer to Operate the Vacation Ownership Property as a Licensed Vacation Ownership Property. If, despite such efforts, such counterparty does not offer Licensee such opportunity, Licensor shall have no further obligations to Licensee in this regard (but Licensor's obligations during the Noncompetition Term shall still apply).

(b) If Licensor engages in a mixed-use project that includes a Vacation Ownership Property, Licensor will use commercially reasonable efforts to include Licensee in same, and if Licensee is not included, Licensor shall not allow the Hilton Data or the Loyalty Program to be used to conduct direct marketing activities with respect to the above Vacation Ownership Business component (but shall have no other restriction on the use of Hilton Data or Loyalty Program for such projects).

Section 5.7 Limitations on Licensed Business; Compliance with Contracts.

Licensee shall abide by all territorial and other contractual restrictions applicable to Licensor that relate to the Licensed Vacation Ownership Business and are in effect as of the Effective Date (or thereafter, subject to Licensee's consent). Licensor will not agree to an extension of the duration, or a broadening of the scope, of any such restrictions without Licensee's prior written consent (which shall be required only during the Noncompetition Term), except for extending or renewing such agreements in accordance with their terms. Licensee shall not enter into any agreement with any third party that purports to limit or restrict Licensor's right to Operate Licensor Lodging Properties in any manner that is inconsistent with this Agreement.

Section 5.8 Delegation; Sublicensing.

(a) Licensee may sublicense the Licensed IP

(i) as expressly permitted in this Agreement;

(ii) to Persons other than Licensee who are authorized to manage Licensed Vacation Ownership Properties under Section 8.3(a), to the extent necessary to enable such operation; and

(iii) to its Subsidiaries and their respective suppliers, service providers and contractors, solely (x) to the extent necessary to assist Licensee in conducting the Licensed Vacation Ownership Business, with respect to the Licensed Marks and Licensed Content and (y) with the prior written consent of Licensor for Persons other than Subsidiaries, with respect to the Licensed Software and Licensed System.

(b) Except as permitted above, Licensee may not sublicense the Licensed IP to any Person, or use the Licensed IP for the direct or indirect benefit of any other Person, without Licensor's prior written consent.

(c) Licensee may also sublicense the Licensed Marks to Licensed HOAs, solely to the extent necessary for their operation. Licensee shall ensure that all Licensed HOAs include all information and terms reasonably requested by Licensor (in a form approved by Licensor) in their sales offering documents, sale, deed and other agreements with potential buyers, including provisions that (i) Licensor is a third-party beneficiary with the right to enforce such terms directly against the Licensed HOA and buyer and (ii) the intended buyer is not acquiring any rights in or to use any Licensed IP or Hilton Data. Licensee shall obtain Licensor's prior written consent before signing any agreement with respect to the creation, operation, title, deed or sales provisions of any Licensed HOA. Licensee will, at its expense, submit to Licensor within ninety (90) days request for the same, information regarding the length of the terms, renewal rights and expiration dates of all Licensed HOA management agreements.

(d) Licensee is liable for any act or omission by any of its sublicenses that would breach this Agreement if committed by such Licensee.

(e) The Subsidiaries of each Party may exercise the rights of such Party herein and are bound by the obligations of such Party herein. A Party is liable for any act or omission by any of its Affiliates that would breach this Agreement if committed by such Party.

Section 5.9 Limited Lodging Operations by Licensee

. Notwithstanding the prohibition on Licensee operating a Lodging Business in Section 9.1, Licensee may:

(a) On a limited basis, engage in the transient rental of inventory of Vacation Ownership Properties that are held for development and sale and owned or operated by Licensee, its Affiliates, an HOA or a third party with which Licensee or its Affiliates has entered into a development agreement or management agreement (together, "Licensee Parties") or that is controlled by Licensee, its Affiliates or an HOA as a result of a Vacation Ownership Property owner default pending foreclosure or cure in the ordinary course of business, in each case, solely to support Licensee's Vacation Ownership Business. Licensee agrees that all Licensed Vacation Ownership Properties' transient rental inventory shall be made available through the Licensed System and shall not be placed on any third party platforms or distribution channels.

(b) In the event Licensee acquires a hotel, resort or other transient or extended stay lodging facilities for the purpose of converting such facilities into a Vacation Ownership Property, Licensee may during such conversion process operate such facilities, or a significant portion thereof, as a hotel provided Licensee shall pursue such conversion in a commercially reasonable manner so as to limit Licensee's competition with Licensor in the Lodging Business. The parties agree Licensee's obligation in this regard shall be met if Licensee diligently pursues the conversion and has commenced bona fide sales of Vacation Ownership Property intervals within 24 months of Licensee's obtaining ownership, control or management of such property. If the Licensee fails to commence bona fide sales of Vacation Ownership Property intervals within the 24-month period, Licensee shall retain Licensor (for any Licensed Vacation Ownership Properties) or a third party management company (for any Separate Operations) to manage the hotel component of the project.

Section 5.10 Special Provisions Arising from the Merger

. With respect to the acquisition of the Diamond Business and Diamond Properties, it is the intent of Licensee to Integrate such business and properties into its business and convert certain Diamond Properties into Licensed Vacation Ownership Properties in accordance with Section 5.2(d) of this Agreement. Accordingly, the Parties agree to the following:

(a) Licensee will continue to use the Licensed Marks, including the name "Hilton Grand Vacations," as its primary brand (including, without limitation, in all advertising, marketing, and consumer facing channels and means (including within Licensed System and its corporate marketing channels) for its existing and any new "brands";

(b) At Licensee's request, the Parties will cooperate with respect to the creation and launching of any new "brand(s)" related to Licensee's Vacation Ownership Business that uses the Licensed Marks (including New Licensed Marks) using such new name or construction to be determined in accordance with Schedule 5.10(b), with Licensor agreeing to maintain and renew all such New Licensed Marks in accordance with Article XIII of this Agreement, and Licensor agrees to the use by Licensee of such names as set forth in Schedule 5.10(b). Any such new brand name, marketing name and/or naming conventions shall be reflected in an amendment to this Agreement, amendment to Schedule 5.10(b) of this Agreement, and/or a separate letter agreement between the Parties.

(c) Any Major Brand names developed by Licensee will become New Licensed Marks and Licensor and its Affiliates will be the sole owner of all such New Licensed Marks in accordance with Article XIII of this Agreement even if such new name does not include the then-existing Hilton Marks. Further, Licensor shall continue to have the sole right to approve any such new names to be used by Licensee in connection with the New Brand Offering or otherwise. Licensor continues to reserve for its exclusive use the "Hilton," except as set forth herein, and "Hilton Honors" names. Notwithstanding the foregoing, with respect to new brand names created by Licensee that are used exclusively in connection with Separate Operations and do not include or incorporate the Hilton Marks, Licensor will not be the owner of such brand names and will not have the right to approve such new brand names.

ARTICLE VI
SOURCING

Section 6.1 Sourcing

. Licensee will source the furniture, fixtures and equipment for the Licensed Vacation Ownership Properties in compliance with all applicable Laws and the Standards and Agreements.

ARTICLE VII
LICENSOR BRAND IDENTITY GUIDELINES; STANDARDS; LOYALTY PROGRAM

Section 7.1 Licensor Brand Identity Guidelines

. Licensee shall use the Licensed Marks solely: (i) in good faith, in a dignified manner and in accordance with the Licensor Brand Identity Guidelines and good trademark practice in the Territory; (ii) in a manner that does not harm or jeopardize the value of the Licensed Marks or their associated goodwill; and (iii) in connection with activities, products, and services that maintain at all times the high levels of quality associated with Licensee's use of the Licensed Marks prior to the Effective Date. Licensee shall not take any action (or fail to take any action) that materially harms or jeopardizes (or could reasonably be expected to materially harm or jeopardize) the value, validity, reputation or goodwill of the Licensed IP.

Section 7.2 Modified Standards.

(a) Licensor may modify or implement any existing or new Standards during the Term, effective upon notice to Licensee, provided that (i) Licensor may not require Licensee to comply with any Standards that, as a whole, place a disproportionate or discriminatory burden upon Licensee relative to practices for similarly situated Licensor Lodging Properties, but Licensee acknowledges that certain Standards may not apply to all of Licensor's branded hotels and (ii) Licensee shall have a commercially reasonable time to transition to comply with the above new Standards (unless new or modified Standards reflect changes in applicable Laws, in which case, Licensee must adopt such changes sufficiently promptly to comply with such Laws).

(b) On an annual basis during the Term, Licensee may submit proposed changes to the Brand Standards for Licensor's prior written approval. Licensor shall not unreasonably withhold its approval to any such changes.

Section 7.3 Loyalty Program Participation.

(a) Licensee shall participate in the Loyalty Program pursuant to the terms in this Article VII, the Loyalty Program terms, and all additional terms contained in any other agreement executed between the Parties at any time during the Term with respect to the Loyalty Program.

(b) Licensor may modify the Loyalty Program terms in its sole discretion, provided that:

(i) Licensee shall receive commercially reasonable advance notice of any material changes;

(ii) Owners at Licensed Vacation Ownership Properties maintain the Loyalty Program status tier level or equivalent that was purchased prior to such notice;

(iii) Licensee may opt out of select programs if they are optional for similarly situated Licensor Lodging Properties; and

(iv) Licensor will not modify the Loyalty Program in any manner that places a disproportionate or discriminatory burden upon (x) Licensee relative to similarly situated participants or (y) owners at Licensed Vacation Ownership Properties related to other Loyalty Program members.

(c) All Loyalty Program members shall have the right to redeem Loyalty Program Points for nightly stays at Licensed Vacation Ownership Properties. Licensee shall provide Loyalty Program members benefits for stays at Licensed Vacation Ownership Properties, consistent with the tiers and rules of the Loyalty Program. Licensee shall have sole responsibility for all matters, activities and disputes involving Loyalty Program members with respect to their stays in Licensed Vacation Ownership Properties.

(d) So long as the Loyalty Program maintains an air travel mileage partner, Licensor will use commercially reasonable efforts to allow Licensee to purchase air travel miles at the same cost as Licensor.

Section 7.4 Exclusivity/Licensee Status

. Licensee may not participate in a loyalty program (or purchase and use loyalty program points) of a Hilton Competitor unless such loyalty program relates solely to Vacation Ownership Properties maintained as Separate Operations. Licensor will not authorize Loyalty Program Points to be used solely for the creation of a Vacation Ownership Business that conflicts with Licensee's rights under this Agreement. Licensor will maintain Licensee's tier status (or grant comparable tier status to Licensee) in the Loyalty Program, if Licensor changes the tier structure of the Loyalty Program during the Term. Licensee may purchase tier status from Licensor for the Loyalty Program in accordance with Section 7.8 or as may otherwise be agreed to by the Parties.

Section 7.5 Sale of Loyalty Program Points

. Licensor shall cause Hilton Honors Worldwide LLC ("Honors LLC") to sell Loyalty Program Points to Licensee at cost for a period of 20 years after the Effective Date. Licensor shall cause Honors LLC to inform Licensee of the cost per Loyalty Program Point no later than September 15 of the applicable preceding calendar year during such 20-year period. Thereafter, (i) Licensor shall cause Honors LLC to sell Loyalty Program Points to Licensee at the market rate (which shall not be (x) less than cost or (y) more than the amount paid by any other Person participating in the Loyalty Program who buys the similar quantity of points on the same terms and is otherwise similarly situated to Licensee), provided that such market rate is no higher than the price per Loyalty Program Point paid by any strategic partner that purchases a comparable volume of Loyalty Program Points annually on comparable business

terms from Honors LLC. During the Term and in accordance with the restrictions in this Article VII, Honors LLC shall be entitled to increase the price per Loyalty Program Point on an annual basis; provided, that Licensor provide advance notice of any such increase no later than September 15 of the year immediately preceding the year during which such cost increase is scheduled to take effect. While the determination and calculation of the applicable cost per Loyalty Program Point and any increases in such cost remain in Licensor's sole discretion, Licensor agrees to discuss any increases in the cost per Loyalty Program Point with Licensee and reasonably demonstrate to Licensee the basis and reasons for such increase (which Licensor may satisfy by providing any reasonable information).

Section 7.6 Use of Loyalty Program Points

. Licensee may use the Loyalty Program Points it purchases:

(a) to fulfill benefits related to the Licensed Vacation Ownership Business;

(b) as awards or incentives associated with the marketing or sale of the Licensed Vacation Ownership Properties;

(c) in connection with customer complaints or customer service responses; or

(d) for any other reason approved by Licensor in advance in writing.

Licensee may not resell or transfer Loyalty Program Points to any other Person or allow any Person (other than members of the Loyalty Program for end-use purposes) to do same.

Section 7.7 Conversion to Loyalty Program Points

. Licensee can convert points associated with Licensee's own point-based reservations and exchange system into Loyalty Program Points through a Licensed Exchange Program at a conversion rate to be determined by Licensee. Licensee's members' elections to convert such points to Loyalty Program Points will be irrevocable and irreversible. All costs and expenses associated with such point conversion shall be the sole responsibility of Licensee.

Section 7.8 Hilton Honors Elite Status. While the Loyalty Program status tier level or equivalent for owners at Licensed Vacation Ownership Properties remains at the sole discretion of Licensor, Licensor agrees that Licensee may continue to designate purchasers or owners of Licensed Vacation Ownership Properties as Silver, Gold, or Diamond Honors members, consistent with HGV's past practices and numbers of status awards. With respect to Licensee increasing the scope of Hilton Honors statuses awarded by Licensee, including in connection with New Brand Properties or purchasers of a New Brand Offering, the Parties will negotiate in good faith an agreement setting forth the terms and conditions of such arrangements.

Section 7.9 Additional Discount Program

. Licensor agrees to establish a discount program and use its commercially reasonable efforts to obtain participation from the owners of Licensor Lodging Properties under which owners of Licensed Vacation Ownership Properties (including New Brand Properties) will be

entitled to a rate discount for stays at participating hotels within Licensor Lodging Properties and the Licensed System. Licensor will use reasonable efforts to obtain a discount in excess of the discount rate offered to then-current Loyalty Program members as part of such program. The Parties acknowledge that any and all such discounts will be subject to the availability and the discretion of the owners of such hotels, and will not be deemed a standing rate discount program. For the avoidance of doubt, Licensor may terminate any such discount program at any time in its sole discretion, provided that Licensor provide Licensee with reasonable notice of any such termination of a discount program and cooperate with Licensee to seek or pursue other potential similar discount programs in lieu thereof.

## ARTICLE VIII
## OPERATIONS

Section 8.1 Licensee Operations, Brand Standards

. At all times during the Term, Licensee will, at its sole expense, (i) operate the Licensed Vacation Ownership Business in strict compliance with all Standards and Agreements and all applicable Laws; (ii) obtain and maintain all approvals, permits, licenses and consents required for the operation of the Licensed Vacation Ownership Properties; and (iii) pay all Taxes relating thereto. Licensee acknowledges that, although Licensor provides the Standards and Agreements, Licensee has exclusive day-to-day control of the business and operation of the Licensed Vacation Ownership Business. Without limiting any obligations in this Agreement or the Standards and Agreements, Licensee shall, at its sole cost and expense, comply with its obligations set forth on Exhibit B of the Original Agreement.

Section 8.2 Employees

. Licensee will employ sufficient and suitably qualified individuals with respect to the Licensed Vacation Ownership Business. Licensee will ensure that Licensee's employees at all times comply with the Standards and Agreements.

Section 8.3 Management and Operation of the Projects.

(a) Licensee may subcontract or delegate its property-level, non-management functions with respect to Operating one or more Licensed Vacation Ownership Properties, such as housekeeping, security and maintenance to vendors without Licensor's prior written consent, provided that such functions are delegated or subcontracted in accordance with the Brand Standards. Licensee may subcontract or delegate both property-level and management functions to (i) a Subsidiary without notice to or consent of Licensor or (ii) any other Person, with Licensor's prior written consent not to be unreasonably withheld. Licensor hereby consents to the subcontracting and delegation agreements set forth on Exhibit L of the Original Agreement.

(b) Licensee shall require all sublicensees (and all Persons referenced in Section 8.3(a)) to agree in writing to abide by all terms herein relating to the Standards and Agreements and protection of the Licensed IP, and Licensee is liable to Licensor hereunder for any act or omission by a sublicensee or a Person referenced in Section 8.3(a) that would breach this Agreement if committed by Licensee. A Party may not license or authorize any Person (including Subsidiaries) to take any action that such Party is prohibited from doing

under this Agreement, and each Party is liable hereunder for any action by a Subsidiary that would breach this Agreement if committed by such Party.

Section 8.4 Quality Assurance.

(a) Subject to any pre-existing third-party agreements prohibiting same, Licensor and its representatives have the right (but not the obligation) to enter the Licensed Vacation Ownership Properties at any time without notice or additional permission from Licensee to verify that Licensee is complying with this Agreement and the Standards and Agreements. Licensee shall provide commercially reasonable assistance to facilitate such inspections and promptly (or immediately, for material deficiencies or issues involving health or safety) take all actions necessary to correct any deficiencies found during any inspection. If Licensor is required to conduct more than one (1) inspection in any twelve (12) month period because of Licensee's failure to comply with the Standards and Agreements or this Agreement, Licensee shall reimburse Licensor for the commercially reasonable out-of-pocket costs of such additional inspections. The results of such inspection are Licensor's Confidential Information, and Licensor may use and disclose them for authorized business purposes.

(b) Licensor's representatives who travel to the Licensed Vacation Ownership Properties to perform design review, training, inspections, assistance or other services shall be permitted, subject to availability, to stay at the relevant Licensed Vacation Ownership Property and use its facilities (including commercially reasonable food and beverage consumption) without charge.

Section 8.5 Licensed HOAs Not Controlled By Licensee

. If any Licensed HOA not Controlled by Licensee operates or maintains a Licensed Vacation Ownership Property in a manner that would constitute a Deflagging Event or an action set forth in Section 18.3 of this Agreement if committed by Licensee, Licensee shall promptly notify the Licensed HOA of such failure and request the same be cured within thirty (30) days. If such failure is not susceptible to being cured during such 30 day period, Licensee may extend such cure period for such additional periods as is reasonable under the circumstances if cure is being diligently pursued, and in no event will such period be more than one year from the date of the initial notice without Licensor's prior written consent. If the Licensed HOA cannot effect cure within such time (or an extension thereof, which requires Licensor's prior written consent, not to be unreasonably withheld), then Licensee shall immediately Deflag such Licensed Vacation Ownership Property, and the provisions of Section 18.1 shall apply.

Section 8.6 Employee Discounts

. Licensor's employees may stay at the Licensed Vacation Ownership Properties (and Licensee's employees may stay at the Licensor Lodging Properties) for other business or non-business purposes at reduced rates (such rates also covering food and beverage costs), subject to the terms and conditions contained in the Employee Matters Agreement, dated as of the Original Agreement, among the Parties, PHRI and Hilton Domestic Operating Company Inc. (the "Employee Matters Agreement"). Licensee's employees will continue to enjoy discounts consistent with Licensor's then-current discount offers to its own employees

for in-room amenities, and generally participate in any other then-current employee discounted travel programs offered by Licensor to its own employees, in accordance with the Standards and Agreements and the Employee Matters Agreement and subject to annual review by Licensor of such participation and payment by Licensee of any annual participation fees to be assessed by Licensor in its sole discretion. An employee of a Diamond Property will become eligible for the employee discounts described in this Section 8.6 at the time such Diamond Property is converted into a New Brand Licensed Vacation Ownership Property in accordance with Section 5.2. If Licensor so requests in writing, Licensor's employees may enjoy discounts consistent with Licensee's then-current discount offers to Licensee's own employees to purchase units in Licensed Vacation Ownership Properties.

Section 8.7 Managers

. Each Party shall give the other Party notice of one representative to act as such Party's primary contact(s) with respect to the various performance areas and obligations in this Agreement. Each Party may change one or more of its primary contacts in accordance with the procedures set forth in Article XXIII. The Parties' contacts shall fully cooperate to perform this Agreement and meet regularly or as needed.

## ARTICLE IX
## LICENSEE OBLIGATIONS

Section 9.1 Lodging Business

. During the Term and except as permitted in Section 5.9 and this Section 9.1, Licensee will not engage in the Lodging Business under any Trademark anywhere in the world.

Section 9.2 Hilton Competitors

. Without Licensor's prior written consent, Licensee may not:

(a) merge with or acquire direct or indirect Control of a (x) Hilton Competitor or (y) Vacation Ownership Business (in either an equity or asset acquisition) which has entered into an agreement for Operating activities with a Hilton Competitor;

(b) acquire direct or indirect Control of a Vacation Ownership Business together with a Lodging Business (in either an equity or asset acquisition); or

(c) be directly or indirectly acquired by, merged into or combined with any Person other than an Affiliate (in either an equity or asset transaction).

Any purported transaction in violation of this Section 9.2 shall be deemed null and void at the outset and of no force or effect.

Section 9.3 Acquisitions

.

(a) Without Licensor's prior written consent, Licensee may acquire direct or indirect Control of a business that is not a Vacation Ownership Business or Lodging Business (in either an equity or asset acquisition), and Licensee may (i) operate such new business as Separate Operations or (ii) use the Licensed IP in connection with such new business, subject to Licensor's prior written consent.

(b) Without Licensor's prior written consent, Licensee may acquire direct or indirect Control of Vacation Ownership Properties (in either an equity or asset acquisition) that have never been branded with any Hilton Marks, and Licensee may operate such Vacation Ownership Properties as (i) Separate Operations or (ii) new Licensed Vacation Ownership Properties, subject to all terms and conditions herein regarding same.

(c) Licensee will operate the Diamond Business as a Separate Operation; provided, however, that (i), if required by contracts in effect as of the Closing, Diamond Properties may be directly exchangeable or interchangeable with New Brand Licensed Vacation Ownership Properties (including through Exchange Programs owned or operated by Licensee or its Affiliates); and (ii) Licensee shall not be prohibited from holding the Diamond Business in a Subsidiary that uses the Licensed Marks as a corporate, trade, or d/b/a name. From and after the time at which a specific Diamond Property is approved for conversion to a New Brand Licensed Vacation Ownership Property pursuant to Section 5.2, Licensee will operate such property as a Licensed Vacation Ownership Property. Notwithstanding the foregoing, the Parties agree to use good faith efforts to discuss, cooperate, and develop a mutually acceptable plan to modify the scope of the "Separate Operation" in connection with the Integration. For the avoidance of doubt, if the Parties are unable to develop such a mutually acceptable plan, Licensee will continue to operate the Diamond Business as a Separate Operation.

(d) Licensee may not rebrand or rename the legacy Diamond club using any Licensed Marks without Licensor's prior written consent.

Section 9.4 New Products and Services. Licensee may develop or acquire products or services that are not in the Vacation Ownership Business but are substantially similar to products and services being offered at the time by other Persons who operate a business described in clause (i) of the definition of "Vacation Ownership Business" of quality similar to Licensee: (i) as Separate Operations or (ii) subject to Licensor's prior written consent, as part of the Licensed Vacation Ownership Business.

Section 9.5 Advertising

.

(a) Licensee shall, at its cost and expense, advertise and promote the Licensed Vacation Ownership Business, in all venues and media, in a first-class, dignified manner, in compliance with all Standards and Agreements and this Agreement. Licensee shall ensure that all advertising and promotional materials used in connection with the Licensed Vacation Ownership Business, in any form or media ("Marketing Content") comply with all applicable Laws and the Standards and Agreements. Notwithstanding the foregoing, Licensee may continue to use all Marketing Content that Licensee has used prior to the Effective Date, to the extent such Marketing Content is consistent with the Standards and Agreements, and will

not violate any Standards and Agreements by such use. Licensor has the right to review (on a periodic basis), and Licensee shall respond to Licensor's commercially reasonable requests to submit to Licensor any new Marketing Content that differs materially from that used by Licensee as of the Effective Date. Licensee shall promptly revise or cease using any Marketing Content after it becomes aware (whether from notice from Licensor or otherwise) that it does not comply with this Agreement, the Standards and Agreements (subject to this Section 9.5(a)) or applicable Laws.

(b) The Parties will cooperate to facilitate advertising the Licensed Vacation Ownership Properties in Licensor's distribution channels, and develop and exploit new Marketing Content and channels to support the Licensed Vacation Ownership Business, provided that, in each case, Licensor has sole discretion as to any specific advertising activities.

(c) The Parties will coordinate all marketing activities provided under this Agreement, including online demand generation, Internet keyword purchasing and email marketing (and future successors and equivalents of the foregoing), so as to prevent current and prospective customers from declining to receive marketing for Licensor and/or the Loyalty Program.

Section 9.6 Sponsorships/Partnerships

(a) The Parties shall meet quarterly during the Term to discuss future Marketing Content and any sponsorship, marketing, endorsement or similar agreements ("Marketing Agreements") for the Licensed Vacation Ownership Business between the Parties and their advertisers.

(b) If Licensor wishes to enter into any Marketing Agreement on an exclusive basis, and such exclusivity would restrict the Licensed Vacation Ownership Business, Licensor shall notify Licensee (i) at the quarterly meeting or (ii) for time-sensitive matters, at least 30 days prior to executing same. In each case, Licensor shall consult with Licensee and in good faith consider Licensee's comments with respect to such agreement; however, for the avoidance of doubt, nothing in this Section 9.6(b) shall give Licensee the right to block or delay any such exclusive marketing agreement. Licensor shall have the sole right to approve and execute any such exclusive Marketing Agreements that involve the Licensed Marks. However, should Licensor request Licensee participate in a marketing or similar agreement with respect to co-branded credit cards, and such arrangement includes a bounty fee or similar payment by the issuer for acquisitions at Licensee's Vacation Ownership Properties, Licensee shall not be required to participate in such marketing activities unless Licensee receives a share of such payment.

(c) Licensee shall ensure that all marketing activities, Marketing Content and Marketing Agreements entered into in connection with the Licensed Vacation Ownership Business comply with all applicable Laws and the Standards and Agreements and, absent the prior written consent of Licensor, do not involve a Hilton Competitor. Licensee shall not use any of the Licensed Marks or participate in a Marketing Agreement that may subject Licensor to public ridicule, criticism or controversy or that may substantially tarnish Licensor's goodwill.

(d) Licensee may continue to perform under all Marketing Agreements that Licensee has entered into in writing and made available to Licensor for review prior to the Effective Date. Licensor acknowledges that Licensee has prior to the Effective Date entered into certain Marketing Agreements or other arrangements designed to support the Licensed Exchange Program with Hilton Competitors, a list of which is attached as Exhibit M of the Original Agreement. Should Licensee desire to enter into a new Marketing Agreement or other arrangement with a Hilton Competitor, or materially expand the scope of such an existing arrangement, Licensee must first obtain Licensor's prior written consent.

(e) Licensee may enter into new local Marketing Agreements and enterprise-wide Marketing Agreements at any time, subject to Licensor's prior written approval for all enterprise-wide Marketing Agreements and any new local Marketing Agreement that differs materially from that used by Licensee as of the Effective Date. Licensee shall notify Licensor of all proposed new Marketing Agreements (i) at the quarterly meeting or (ii) for time-sensitive matters, at least 30 days prior to the signing date. Licensor shall not unreasonably withhold its approval for any Marketing Agreement that does not involve a Hilton Competitor. In each case, Licensee shall consult with Licensor and in good faith consider Licensor's comments with respect to such agreement. Should Licensor determine, in its reasonable discretion, that a Marketing Agreement does not comply with this Agreement, the Standards and Agreements (subject to this Section 9.6(e)) or applicable Laws, then Licensor shall notify Licensee of same and Licensee shall terminate such Marketing Agreement. Licensee shall respond to Licensor's reasonable requests to submit to Licensor any Marketing Content.

Section 9.7 Reservations

. Licensee shall, at all times during the Term, participate in and use the Licensed System and honor all confirmed reservations referred to the Licensed Vacation Ownership Properties through the Licensed System.

Section 9.8 Diversion

. Except as may be necessary in connection with the Integration and/or as set forth in Section 13.8, Licensee shall not divert any business from the Licensed Vacation Ownership Properties to any other facilities or products (except other Vacation Ownership Properties through an exchange program or facilities or products affiliated with Licensor, in each case, as approved by Licensor in its sole discretion).

Section 9.9 Finances

. Licensee shall have sole responsibility for all debts, liabilities, permits, Taxes and other financial obligations incurred in the operation of the Licensed Vacation Ownership Business, and make all such payments when due.

## ARTICLE X
## SYSTEMS

Section 10.1 Systems

. Licensee shall maintain all Licensee Systems in connection with all Standards and Agreements.

## ARTICLE XI
## LICENSOR SERVICES

Section 11.1 Call Center Transfer Services

. The Parties have executed the Marketing Services Agreement, effective as of the Effective Date, as amended by that certain Amendment No.1 thereto, dated as of May 1, 2018 (the "Marketing Services Agreement"), which has governed the transfer of Calls from Licensor to Licensee and related terms. The Marketing Services Agreement is being amended contemporaneously with this Agreement and shall continue to govern the transfer of Calls from Licensor to Licensee and related terms in accordance with the terms therein.

Section 11.2 Other Services

. Licensor shall otherwise provide services to Licensee as set forth in all other Party Agreements.

## ARTICLE XII
## REPAIRS AND MAINTENANCE

Section 12.1 Repairs

. Licensee shall ensure that all Licensed Vacation Ownership Properties are in good repairs and first-class condition and conform with applicable Laws and the Standards and Agreements.

## ARTICLE XIII
## INTELLECTUAL PROPERTY

Section 13.1 Ownership New Marks.

(a) Licensor, together with its Affiliates, is the sole owner of all Licensed IP, and Licensee will not file to register, register, patent, maintain or renew any of same. Licensee will not directly or indirectly attack, contest or otherwise challenge the validity, enforceability or ownership of any Licensed IP or Hilton Data. Notwithstanding the foregoing, if Licensee is deemed to be the owner of any Licensed IP (or own any rights in any Hilton Data), Licensee hereby assigns and agrees to assign to Licensor all of such rights in same. Unless Licensee has notified Licensor that it no longer requires the use of any Licensed Marks, Licensor shall continue to maintain and renew all Licensed Marks (and file and use Reasonable Best Efforts to prosecute until registration all new "Licensed Marks" approved hereunder), so long as Licensee reimburses Licensor for all commercially reasonable out-of-pocket costs incurred.

(b) Without limiting Section 13.1(a), Licensor agrees that Licensee may (i) serve as the administrative and technical contact for all domain names and social or mobile media registrations included in the Licensed Marks, provided that Licensor shall be the registrant of any such domain names (and social or mobile media registrations, if and to the

extent the trademark owner is intended to be the registrant) and (ii) file to register corporate, trade, d/b/a and similar names containing the Licensed Marks, so long as any such registration does not modify or compromise Licensor's ownership rights in the Licensed Marks.

(c) If Licensee wishes to use a Licensed Mark in a country or jurisdiction for which it is not registered as of the Effective Date, it may notify Licensor of same. The Parties will cooperate to perform all necessary due diligence with respect to Licensee's proposed use. Licensor shall not withhold its consent to any proposed new Trademark if the new Trademark, in Licensor's good-faith judgment, would not reasonably be expected to harm or jeopardize the value, validity, reputation or goodwill of the Licensed Marks or subject Licensor to any risk of legal liability or an adverse Action anywhere in the world. Any new Trademark approved by Licensor hereunder shall be owned by Licensor and deemed to be a "Licensed Mark" hereunder.

Section 13.2 Licensee's Use of Licensed IP.

(a) Licensee shall use all Licensed IP solely in compliance with applicable Laws and all Standards and Agreements. Licensee will use all notices and legends for the Licensed IP that are required by applicable Laws or reasonably requested by Licensor.

(b) Licensee acknowledges that Licensor may change the stylization, font or appearance of the Licensed Marks during the Term. Licensee must use the latest version of the Licensed Marks that Licensor has adopted for its own use, subject to a commercially reasonable transition period during which Licensee may engage in traditional "phase out" use of the prior version of the Licensed Marks.

(c) Licensee may use the Trademarks of third parties in connection with permitted marketing activities in the ordinary course of business in the Licensed Vacation Ownership Business, provided that, without Licensor's prior written consent (whether provided in connection with the Parties' marketing activities in Section 9.5 or Section 9.6 or otherwise), Licensee shall not use (i) the Licensed Marks with any other Trademark in such a manner so as to suggest (a) a co-branded, combined or composite Trademark or (b) that Licensor is affiliated with, endorses or sponsors the owner of such Trademark; or (ii) the Trademarks of any Hilton Competitor in the Licensed Vacation Ownership Business.

Section 13.3 Enforcement

. If Licensee learns of any actual or threatened unauthorized use of the Licensed IP by any Person, Licensee shall promptly notify Licensor. Licensor, in its sole discretion, shall decide whether to commence an Action against such use. If Licensor elects not to bring an Action and such unauthorized use is materially impairing Licensee's rights under this Agreement, Licensor shall not unreasonably refuse a request by Licensee to bring an Action in its own name. If Licensor refuses such a request, Licensee may not bring such an Action. If Licensor grants such a request, Licensor may participate in such Action with counsel of its own choice at its own expense. The Parties may also elect in their discretion to bring a joint Action. The Parties shall fully cooperate in any such Action brought in this Section 13.3. Absent a joint Action or later agreement to the contrary, the Party that brings any Action herein shall control its prosecution, pay all costs and expenses associated therewith and have

the sole right to any and all damages, settlements and proceeds therefrom; provided that a Party shall not enter into any settlement or other agreement that would impose any liability or obligations or have any adverse effect upon on the other Party without its prior written consent, which consent shall not be unreasonably withheld. Licensee hereby agrees that this Section 13.3 limits its rights under applicable Laws to commence an Action against any Person's unauthorized use of the Licensed IP, and hereby waives such rights, to the extent they conflict with this Section 13.3.

Section 13.4 Credit Cards.

(a) Licensee may not enter into any agreement with a financial institution or any other Person to create a co-branded credit card or any co-branded alternative payment technology (e.g., Google Wallet) without Licensor's prior written consent. Should Licensee establish Separate Operations, Licensee may co-brand a credit card or other payment alternative provided such co-branding does not include any Hilton Marks and is only utilized in connection with the Separate Operations.

(b) Licensee shall use the then-current Loyalty Program credit card designated by Licensor as the exclusive credit card issued for down payments, renewals or other fees in connection with Licensed Vacation Ownership Properties sold to residents of United States, and shall use commercially reasonable efforts to offer such Loyalty Program credit card as the exclusive credit card issued for down payments, renewals or other fees in connection with Licensed Vacation Ownership Properties sold to residents of Japan, and shall honor all nationally recognized credit cards and credit vouchers and enter into all necessary agreements with issuers therefor.

(c) Licensor acknowledges that the Diamond Business currently offers a loyalty credit card through a financial institution (the "Diamond Credit Card"). License will provide notice of intention not to renew the Diamond Credit Card as soon as possible after the Closing and in the interim will operate the Diamond Credit Card as a Separate Operation. If necessary, Licensor will use commercially reasonable efforts to negotiate with the issuer of the Designated Credit Card a waiver as may be needed to avoid any conflicts or breaches that may result from Licensee's assumption of the existing Diamond Business and the related Diamond Credit Card in accordance with its terms. If such efforts to obtain a waiver are unsuccessful, Licensor will work in good faith with Licensee and the issuer of the Designated Credit Card to identify and implement changes to the operation of the Diamond Credit Card program that would minimize adverse effects on Licensee.

(d) Subject to the foregoing, Licensee will continue to be expressly prohibited from entering into any agreement with a financial institution or any other Person to create a co-branded credit card or any co-branded alternative payment technology without Licensor's prior written consent.

## ARTICLE XIV
## CONFIDENTIALITY

Section 14.1 Confidential Information.

(a) Absent the prior written consent of the disclosing Party (the "Disclosing Party"), the receiving Party (the "Receiving Party") shall not use any of the Disclosing

Party's Confidential Information other than as required to perform this Agreement or exercise its rights hereunder, and shall not disclose any such Confidential Information to any Person, other than to its Subsidiaries (but not including Licensee's Subsidiaries engaged in Separate Operations,) and their respective employees and counsel (and Persons described in Section 8.3(a) who need to know it for such Party to perform under this Agreement ("Recipients"), subject to commercially reasonable confidentiality agreements or obligations of confidentiality (and the provisions of Section 14.2 for Hilton Data). Each Party shall protect the security of the other Party's Confidential Information with the same measures it uses to protect its own most sensitive information, and shall use at least a commercially reasonable standard of care in this regard. Each Party is liable for any unauthorized use or disclosure of Confidential Information by it and its Recipients, and shall promptly notify the other Party about (and cooperate with the other Party to remediate) any instance of same.

(b) Confidential Information shall not include Information (other than Hilton Data, for which such exceptions do not apply) that: (i) was in the Receiving Party's possession on a non-confidential basis prior to the time of disclosure to such Party by or on behalf of the Disclosing Party; (ii) was or becomes generally available to the public other than as a result of a disclosure by the Receiving Party or its Recipients; (iii) becomes available to such Party on a non-confidential basis from a source other than the Disclosing Party or its Recipients; (iv) was independently developed by the Receiving Party without the use of Confidential Information of the Disclosing Party; or (v) is required to be disclosed by applicable Laws, subpoena, legal process or document demand (or to enforce a Party's rights under this Agreement), provided that the Receiving Party shall promptly inform the Disclosing Party of any such requirement, disclose no more Information than as required and cooperate with any efforts by the Disclosing Party to obtain a protective order or similar treatment.

Section 14.2 Data and Data Security.

(a) As between Licensor and Licensee, (i) Licensor is the owner of all Hilton Data and (ii) Licensee is the owner of all Licensee Data. Unless otherwise specified, to the extent that any data may fall within the definitions of both Hilton Data and Licensee Data, the use by a Party of such data shall be in accordance with the rights and restrictions applicable to data owned by such Party, without regard to the restrictions applicable to the same data to the extent owned by the other Party.

(b) Subject to all terms and conditions herein, including this Section 14.2(b), Licensor grants to Licensee during the Term a limited, nontransferable right to use the Hilton Data: (i) to engage in the promotion of the Licensed Vacation Ownership Business and (ii) for research and analysis in furtherance of Licensee's internal business purposes, in each case solely in connection with Licensee's operation of the Licensed Vacation Ownership Business. Except as otherwise expressly set forth herein, Licensee shall not use the Hilton Data (including in aggregate form) for any purpose. Without limiting the generality of the foregoing, in no event shall Hilton Data (including in aggregate form) be disclosed, sold, assigned, leased or otherwise provided to third parties (including any non-Subsidiary Licensee Parties and Separate Operations) by Licensee except as otherwise expressly permitted herein or with Licensor's prior written consent. Notwithstanding the above rights, Licensor is not required to provide any Hilton Data to Licensee to the extent such provision

would result in Licensor's violation of any applicable Laws, Privacy Policies or Data Security Policies.

(c) Licensee's Systems and Licensee's use of Hilton Data, whether acquired, obtained or developed prior to or after the Effective Date shall at all times comply with: (i) this Agreement, all applicable Laws, the Standards and Agreements and best practices in the industry; and (ii) Licensee's own Privacy Policies and Data Security Policies. Licensee shall provide to Licensor all of its policies and procedures with respect to the Licensee Systems as of the Effective Date and will not materially change same without Licensor's prior written consent. Licensee may not share or disclose Hilton Data to any third party vendor, or agent of Licensee without Licensor's prior written consent. Licensee shall ensure that its third-party vendors that operate, host or otherwise have access to Licensee Systems or Hilton Data also comply with the above applicable Laws, the Standards and Agreements, best practices in the industry and Licensor's Privacy Policies and Data Security Policies, and in all agreements with such vendors, shall expressly (i) require such compliance and (ii) designate Licensor as a third-party beneficiary with the right to enforce such agreement directly against such vendor with respect to all Hilton Data or Licensed IP. Other than as permitted under this Agreement, Licensee will not have, claim or assert any right against or to such Hilton Data.

(d) Licensee will notify Licensor immediately following discovery of any actual, attempted, suspected or threatened or reasonably foreseeable circumstance that compromises, or could reasonably be expected to compromise, either physical security (including security at any facility housing Licensee Systems or relating to transportation of Licensee Systems or the physical media containing Licensor's Confidential Information) or Systems security (including security control measures of Systems of any variety) of any Licensee Systems used in connection with the Licensed Vacation Ownership Business (or Systems interacting with same) in any manner that either does or could reasonably be expected to permit unauthorized processing, use, disclosure or acquisition of or access to any Licensee Systems, Hilton Data, or other Confidential Information of Licensor, or otherwise harm the Licensed Vacation Ownership Business or the reputation or goodwill of Licensor (a "Security Breach"). Licensee shall remedy any such breach at its own expense, in compliance with all applicable Laws and the Standards and Agreements, and a remediation plan approved by Licensor, and the Parties shall cooperate fully in all such remedial actions. Unless otherwise required by applicable Laws, Licensee shall not make any notifications to customers, members or the general public of any such Security Breach without Licensor's prior written consent.

## ARTICLE XV
## ACCOUNTING AND REPORTS

Section 15.1 Maintenance of Records

. Licensee, at its expense, will maintain and preserve for at least five (5) years (or, if longer, the period of time required by applicable Laws) after their creation or generation complete and accurate books, records and accounts for the Licensed Vacation Ownership Business, in accordance with United States Generally Accepted Accounting Principles, applicable Laws and the Standards and Agreements.

Section 15.2 Audit

. During the Term and for three (3) years thereafter, Licensor and its representatives have the right, at any time, upon commercially reasonable notice to Licensee and at Licensor's cost, to examine, copy and audit all Information of Licensee for the past five (5) years preceding as is required to ensure that Licensee complies with this Agreement. Licensee will fully cooperate with any such audit. If an examination or audit reveals that Licensee has underpaid Licensor, Licensee will promptly pay to Licensor the amount underpaid plus interest. If the underpayment is five (5%) or more for the period being audited, Licensee will reimburse Licensor for all commercially reasonable costs and expenses connected with the audit. If the examination or audit establishes a pattern of underreporting, Licensor may require that the financial reports due hereunder be audited by an internationally recognized independent accounting firm.

Section 15.3 Royalty and Fee Reporting

. During the Term and Tail Period, and for a period of at least one (1) year thereafter, Licensee agrees that it shall, at Licensee's expense, maintain accurate and complete records with respect to the basis upon which the Royalties and fees are calculated under this Agreement. Upon reasonable advance notice to Licensee, such records shall be open for inspection by representatives of Licensor during Licensee's regular business hours. Licensor has the right to inspect the records of all Licensee Parties to the extent that such records are relevant to how the Royalties and fees were calculated under this Agreement.

## ARTICLE XVI
## INDEMNIFICATION: INSURANCE

Section 16.1 Indemnification

(a) Licensee shall indemnify, defend at its expense and hold harmless Licensor and its Subsidiaries and their respective officers, directors, agents, employees and representatives ("Related Parties") from and against any and all losses, costs, liabilities, damages, judgments, settlements, fees, claims, demands and expenses (including commercially reasonable attorneys' fees and costs of suit) ("Losses") resulting from (i) third-party claims based upon (w) Licensee's breach of this Agreement or any representation, warranty or covenant herein, (x) the operation of its Vacation Ownership Business, and all acts and omissions in connection therewith, (y) Licensee's use of or access to the Licensed IP or Hilton Data other than as expressly authorized herein and (z) Licensor's use as authorized herein of any content provided by Licensee under Section 1.2 and/or (ii) claims based upon any Security Breach or any unauthorized use, processing or disclosure of any Hilton Data.

(b) Licensor shall indemnify, defend at its expense and hold harmless Licensee and its Subsidiaries and their Related Parties from and against all Losses resulting from third-party claims based upon (i) Licensor's breach of this Agreement or any representation, warranty or covenant herein, (ii) Licensor and its Subsidiaries' operation of their businesses, and all of their acts and omissions in connection therewith or (iii) Licensee's use of the Licensed IP as expressly authorized herein.

(c) A Party receiving notice of an indemnified claim herein shall promptly notify the other Party. The indemnified Party may, at its expense, employ separate counsel and participate in (but not control) the defense, compromise or settlement of such claim, and

shall fully cooperate with the indemnifying Party in connection therewith. Neither Party shall settle or compromise an indemnified claim in any manner that adversely affects the other Party without its prior written consent.

Section 16.2 Insurance Policies

. Licensee shall obtain and maintain at all times during the Term and thereafter, to the extent any such policies require coverage at the time a claim is made (unless such requirement is waived pursuant to Licensor's prior written consent), insurance of the following types:

(a) Commercial General Liability Insurance including coverage for premises and operations, contractual liability, bodily injury, personal injury, advertising injury, property damage, innkeeper's liability and liquor liability if applicable with a minimum policy limit of $25,000,000 USD per occurrence.

(b) Business Automobile Liability Insurance with coverage for any auto or vehicle whether owned, non-owned, hired, leased or otherwise used in the performance of this Agreement with limits of $25,000,000 USD combined single limit each accident.

(c) Crime, Employee Dishonesty Insurance with coverage for loss arising out of or in connection with any fraudulent or dishonest acts committed by the employees, acting alone or in collusion with others, in an amount of at least $2,000,000 USD.

(d) Employment Practice Liability Insurance shall be obtained in an amount no less than $1,000,000 USD. Such insurance shall include coverage for "mass"/class action multi-party claims, and shall specifically amend the definition of "Employer" to include both "Owner" and "Manager," regardless of who is the statutory employer.

(e) Property Damage and Business Interruption Insurance as follows:

(i) Property Damage and Business Interruption insurance on a special causes of loss policy form ("all-risk"), covering one hundred percent (100%) of the insurable replacement value of the building and its contents, and for full recovery of the net profits and continuing expenses for the property (including rental value and franchise fees) for a twelve (12) month period must be carried. The policy must include coverage for the peril of windstorm, earthquake, and flood with limits as close to replacement cost of the building as is available at commercially reasonable prices. Limits below full replacement cost should be based on a professional study probable maximum loss.

(ii) Broad form Boiler and Machinery Insurance, including business interruption coverage, against loss from accidental damage to, or from the explosion of, boilers, air conditioning systems, including refrigeration and heating apparatus, pressure vessels and pressure pipes in an amount equal to one hundred percent (100%) of the actual replacement value of such items plus full recovery of the net profits and continuing expenses of the property.

(iii) Terrorism Insurance coverage for both first party damage and third party liability either stand-alone, through a government operated or mandated pool, or

as part of the General Liability coverage and the Property Damage and Business Interruption coverage.

(f) Workers' Compensation Insurance per applicable Laws and Employers Liability insurance with a limit not less than $1,000,000 USD each accident for bodily injury, $100,000,000 USD each employee for bodily injury by disease, and $1,000,000 USD policy limit for disease.

(g) Cyber Liability Insurance, including but not limited to coverage for privacy and network security liability: 1st and 3rd party liability, wrongful disclosure of data, breach of security, downtown, identification theft, credit monitoring service and with a minimum policy limit of $3,500,000 USD each occurrence of claim.

(h) Upon sixty (60) days written notice, such other insurance in such amounts as Licensor may reasonably request against such other insurable hazards common in the industry, taking into account the changing circumstances in the law and insurance marketplace.

Section 16.3 Insurance Requirements.

(a) Licensee shall purchase the insurance in Section 16.2 solely from insurance companies with a financial rating acceptable to Licensor, which shall be no less than A—WI if rated by the company A.M. Best. Licensee shall provide evidence to Licensor via certificate (initial coverage, renewal or change in limits) by fax, email or upload to Licensor (or Licensor's external partner as indicated by Licensor to Licensee) of its compliance with Section 16.2 and Section 16.3 herein.

(b) With the exception of Boiler & Machinery and Workers' Compensation, all insurance policies must name Licensor and its Affiliates and their respective past and current employees, officers and directors as additional insureds. Licensor shall cause all policies to be endorsed to be primary insurance with no recourse to, or contribution from, other similar insurance, if any, which may be carried by Licensor or its Affiliates.

(c) Requests by Licensee to modify requirements for Earthquake, Flood, Windstorm or Terrorism may be submitted to Licensor's "Risk Management" division for consideration. Guidelines for such requests may be requested from RiskManagement@hilton.com.

(d) If Licensee breaches its obligations under Section 16.2 or Section 16.3, Licensor may (but is not obligated to) obtain and maintain insurance to remedy such breach without notifying Licensee, and Licensee shall immediately reimburse Licensor for all costs and premiums in this regard.

Section 16.4 Licensee's Obligations

. Licensor makes no representation, implied or express, that the foregoing insurance requirements are adequate to protect Licensee from its potential liability relating to this Agreement or the Licensed Vacation Ownership Business. The insurance coverage requirements do not limit Licensee's indemnification or other liabilities to Licensor under this

Agreement. Any failure of Licensor to demand evidence of compliance by Licensee with Section 16.2 or Section 16.3 shall not be construed as a waiver of Licensee's obligations.

Section 16.5 Contribution

. If a Party's indemnification obligations herein are unavailable, unenforceable or insufficient to indemnify, hold harmless and defend the indemnified Party and its Related Parties from an indemnified claim herein, the indemnifying Party will, to the fullest extent permitted by applicable Laws, contribute to the Losses of any indemnified parties for an indemnified claim, in proportion to the relative fault of the indemnifying Party in relation to such claim.

## ARTICLE XVII
## TRANSFERS

Section 17.1 By Licensee

. Without the prior written consent of Licensor, Licensee cannot assign, mortgage or pledge its rights under this Agreement, in whole or in part, to any Person other than an assignment of this Agreement in its entirety to an Affiliate, solely as part of an internal reorganization for tax or administrative purposes, and solely if (i) Licensee guarantees the performance of such Affiliate thereafter and (ii) the assignee is the ultimate parent entity in Licensee's organization or otherwise has the power to control the actions of all of Licensee's Affiliates receiving the benefit of this Agreement. For clarity, this Agreement shall be construed as an agreement for the personal services of Licensee in its current form as a non-bankrupt entity, and Licensee may not assume this Agreement (or assign this Agreement to any other Person, including an Affiliate) in bankruptcy without Licensor's prior written consent. Without the prior written consent of Licensor, Licensee shall not permit a tax sale, seizure, security interest, lien, mortgage or encumbrance or attachment to occur with respect to any Licensed Vacation Ownership Property.

Section 17.2 By Licensor

. Licensor may assign this Agreement, in whole or in part, in its discretion, provided that any successor or acquirer must assume in writing all of Licensor's obligations hereunder. Licensor may delegate its obligations herein to any Person, provided that Licensor is obligated hereunder for such Person's acts or omissions.

Section 17.3 By Either Party

. Any purported assignment, sublicense, acquisition or other transaction with a third party in violation of any provision of this Agreement shall be null and void at the outset. In the event of a permitted assignment hereunder, this Agreement will be binding upon and inure to the benefit of the Parties' permitted successors or assigns.

## ARTICLE XVIII
## BREACH, DEFAULT, AND REMEDIES

Section 18.1 Deflagging

. Upon the occurrence of any of the events below (each a "Deflagging Event"), without limiting its other rights and remedies herein, Licensor has the right to require Licensee to Deflag the applicable Licensed Vacation Ownership Property and terminate access to or use of all Licensed IP, Hilton Data and Loyalty Program by the applicable Licensed Vacation Ownership Property, whether or not it is Controlled by an HOA or Controlled by Licensee (the "Deflagged Property"), and Licensor may exercise the applicable remedy as set forth below:

(a) If execution is levied against any Licensed Vacation Ownership Property in connection with a final, non-appealable judgment for the payment of an amount in excess of $10,000,000 USD (as adjusted annually after the Effective Date by the CPI Adjustment), or a suit to foreclose any lien, mortgage or security interest (except for foreclosures with respect to consumer financing and mechanics liens that are placed on such Licensed Vacation Ownership Property in the ordinary course of business) on such Licensed Vacation Ownership Property or any property necessary for the operation of such Licensed Vacation Ownership Property in accordance with Standards and Agreements, is initiated and not vacated within ninety (90) days, then Licensor may issue of notice of breach to Licensee with respect to such Licensed Vacation Ownership Property. Licensee shall have thirty (30) days following notice of breach to post a bond or provide other financial assurances reasonably acceptable to Licensor that such Licensed Vacation Ownership Property can continue to operate as part of the Licensed Vacation Ownership Business in accordance with this Agreement. Licensee's failure to obtain such bond or provide adequate financial assurances is a Deflagging Event and Licensor may Deflag such Licensed Vacation Ownership Property immediately upon notice to Licensee.

(b) An on-going threat or danger to public health or safety occurs at any Licensed Vacation Ownership Property, and such occurrence has or is reasonably expected to have a substantial, material and adverse effect on such Licensed Vacation Ownership Property, Licensor, the Licensed IP or any goodwill associated therewith, Licensee will notify Licensor of the threat or danger and Licensee will provide Licensor with a plan to address such threat or danger in a manner reasonably acceptable to Licensor, which plan may include proposed arrangements to accommodate guests at alternative lodging facilities. Depending on the severity of such threat or danger, Licensor may suspend or remove such Licensed Vacation Ownership Property from the Licensed IP, Hilton Data and Loyalty Program until resolution of the threat or danger. If the threat or danger to public health or safety is not eliminated within six (6) months and Licensee fails to develop a plan to address such threat or danger in a manner reasonably acceptable to Licensor, it shall be a Deflagging Event and Licensor may Deflag such Licensed Vacation Ownership Property, immediately upon notice to Licensee.

(c) Except where the failure to meet the applicable thresholds for performance under the quality assurance audit system at such Licensed Vacation Ownership Property is directly a result of Licensor's actions or inactions with respect to the provision of management services or shared services at such Licensed Vacation Ownership Property, it shall be a Deflagging Event if Licensed Vacation Ownership Property fails to achieve the thresholds of performance established by the Licensor's quality assurance audit system and such failure has not been cured within the applicable cure period under the quality assurance audit system which shall not be less than thirty (30) days. If Licensee fails to cure or enter into a remediation arrangement with Licensor within ninety (90) days following the date of

the Deflagging Event, or fails to improve the performance of such Licensed Vacation Ownership Property in accordance with the remediation arrangement, Licensor may Deflag such Licensed Vacation Ownership Property, immediately upon notice to Licensee.

(d) If any Licensed Vacation Ownership Property is not Operated in compliance with the Standards and Agreements and this Agreement, Licensor may issue a notice of breach to Licensee with respect to such Licensed Vacation Ownership Property. If Licensee fails to cure the breach within the time period specified in the notice, which shall not be less than thirty (30) days, it shall be a Deflagging Event. If Licensee fails to cure or enter into a remediation arrangement with Licensor within sixty (60) days following the date of the Deflagging Event, or fails to improve the performance of such Licensed Vacation Ownership Property in accordance with the remediation arrangement, Licensor may Deflag such Licensed Vacation Ownership Property, immediately upon notice to Licensee.

(e) Any Deflagging Event shall not affect the rights of the other Licensed Vacation Ownership Properties hereunder. Upon notice from Licensor of Deflagging, Licensee shall notify the Deflagged Property within 30 days, and starting from the date of Deflagging, Licensee will comply with the terms of Section 19.1 with respect to such property. If Licensee then wishes to continue to operate the Deflagged Property, Licensee may operate it solely as a Separate Operation. This Section 18.1 is cumulative with, and shall not limit Licensor's rights under Section 18.3.

(f) If Licensee fails to operate any sales facility or member service center, each case related to the Licensed Vacation Ownership Business, in compliance with the Standards and Agreements or this Agreement, then Licensor may issue a notice of breach with respect to such failure. If Licensee fails to remedy within thirty (30) days of such notice, then Licensor may require Licensee to close such sales facility or member service center or cease to operate such sales facility or member service center as part of the Licensed Vacation Ownership Business.

(g) Upon the occurrence of a Deflagging Event, without limiting its other rights and remedies herein, Licensee shall not develop new phases of such Licensed Vacation Ownership Property as determined by Licensor its sole discretion until the breach is cured.

Section 18.2 Termination by Licensor for Bankruptcy by Licensee

. Licensor may immediately terminate this Agreement, effective upon notice to the Licensee, if Licensee dissolves, liquidates, ceases business operations (excluding a merger into another entity that continues such operations thereafter), becomes insolvent, generally does not pay its debts as they become due or files a voluntary petition (or consents to an involuntary petition) or an involuntary petition is filed and is not dismissed within sixty (60) days under any bankruptcy, insolvency or similar Laws.

Section 18.3 Termination by Licensor For Breach by Licensee

. Licensor may immediately terminate this Agreement in its entirety, effective upon notice to Licensee, if at any time during the Term:

(a) (i) 25% or more of the Licensed Vacation Ownership Properties are failing the performance thresholds of Licensor's then-current quality assurance system for Vacation

Ownership Properties or (ii) Licensee's overall customer satisfaction score for all Licensed Vacation Ownership Properties is less than 60, and in each case of (i) and (ii), such failure has not been cured within the applicable cure period under the quality assurance or customer satisfaction audit system, which shall not be less than thirty (30) days or (iii) Licensee fails to operate any Licensed Vacation Ownership Property in compliance with this Agreement or the Standards and Agreements, or otherwise breaches any of the foregoing, and such failure or breach has a material adverse effect on the business, goodwill, operations, assets, liabilities (actual or contingent) or financial condition of Licensor and its Subsidiaries, taken as a whole;

(b) Licensee timely fails to pay any amounts due herein in excess of (i) $5 million USD (as adjusted annually after the Effective Date by the CPI, or its equivalent, if the CPI is unavailable, the "CPI Adjustment") and does not cure such payment within fifteen (15) days or (ii) $3 million USD (subject to the CPI Adjustment) two (2) or more times within any twenty-four (24) month period;

(c) A threat or danger to public health or safety occurs at any Licensed Vacation Ownership Property, and such occurrence has a material adverse effect on the business, goodwill, operations, assets, liabilities (actual or contingent) or financial condition of Licensor and its Subsidiaries, taken as a whole;

(d) Licensee directly or indirectly becomes an Affiliate of a Person who is (i) (x) owned or Controlled by, or is acting on behalf of any Governmental Entity of any country that is subject to comprehensive U.S. sanctions in force; (y) located in, organized under the laws of or ordinarily resident in any such country; or (c) identified by any Governmental Entity as a person with whom dealings and transactions by Licensee are prohibited or restricted or (ii) a Hilton Competitor, unless the Hilton Competitor's Vacation Ownership Business is managed thereafter as a Separate Operation;

(e) Licensee breaches Section 9.2 (without giving effect to the provisions therein that would render any breaching transaction null and void) or Section 9.3; or

(f) Licensee (i) contests in any Action Licensor's ownership or the validity of the Licensed IP or Hilton Data or assists any other Person to do same; (ii) assigns this Agreement in violation of Section 17.1 (without giving effect to the provisions in Section 17.3 that would render such assignment null and void); (iii) intentionally submits false information or maintains false records or books with respect to its payment obligations herein; (iv) has a senior executive or board member that is convicted of a felony (or any other crime that is reasonably likely to harm Licensor, the Licensed Marks or their goodwill); or (v) is the subject of publicly disclosed information that harms any licenses or permits held by Licensor or its Subsidiaries or their stature with any Governmental Entity.

Section 18.4 Termination of Corporate Name Rights

. Licensee's license to use the Licensed Marks as a trade, corporate, d/b/a or similar name shall terminate automatically if: (x) the aggregate number of units of accommodation in the Licensed Vacation Ownership Business falls below two-thirds of the total number of units of accommodation in Licensee's entire Vacation Ownership Business; provided, that, for the purposes of the foregoing, Licensee's license shall not automatically terminate during the

Integration Period solely as a result of, or in connection with, the acquisition of Diamond Properties and related Vacation Ownership Business of Diamond in the Merger (and after the Integration Period, Licensee's license will again be subject to termination in accordance with this Section 18.4(x)); (y) if Licensee, directly or indirectly, merges with or into or acquires Control of the assets of Marriott International, Inc., Marriott Vacations Worldwide Corporation, Hyatt Hotels Corporation, Wyndham Hotels and Resorts, Inc., Travel + Leisure, Inc. (f/k/a Wyndham Destinations, Inc.), or their respective Affiliates and Licensee or any such other Person uses the brands of such Persons in any business after such acquisition or (z) Licensee becomes an Affiliate of a Hilton Competitor, in each case regardless of whether the Licensed Vacation Ownership Business is operated as a Separate Operation.

Section 18.5 Suspension

. Upon a default under Section 18.3(a) or Section 18.3(c), without limiting its other rights and remedies herein, Licensor has the right to (i) suspend Licensee's access to and use of all Licensed IP and/or Hilton Data (other than the Licensed Marks and Licensed Content) until such breach is cured.

Section 18.6 Cure Period for Breaches in connection with the Transaction

Notwithstanding anything to the contrary in this Agreement, to the extent that any Integration of any part of the Diamond Business or the Diamond Properties into Licensee's business, including the Diamond Properties Conversion, would cause or result in any violation, conflict, inconsistency, or breach of any of the provisions contained in this Agreement, Licensee shall notify Licensor promptly upon the discovery of the same. Thereafter, the Parties agree to cooperate reasonably so as to allow Licensee to take all reasonably necessary steps to resolve such violation, conflict, inconsistency, or breach; provided, that, Licensee shall have up to twelve (12) months from the date of such notification to take all reasonably necessary steps to resolve such violation, conflict, inconsistency, or breach; provided, further, that in no event shall the total period of time to resolve all such violations, conflicts, inconsistencies, and breaches extend beyond the date that is twenty-four (24) months from the Closing ("Cure Period End Date"). Notwithstanding the foregoing, (a) nothing in the foregoing will prohibit Licensor from exercising its deflagging rights under Section 18.1 with respect to a Diamond Property that has converted to a New Brand Licensed Vacation Ownership Property in accordance with Section 5.2; and (b) this Section 18.6 shall not apply to event, circumstance, or condition that (i) constitutes a violation, conflict, inconsistency, or breach of this Agreement and (ii) has a material adverse effect on the business, goodwill, operations, assets, liabilities (actual or contingent) or financial condition of Licensor and its Subsidiaries, taken as a whole.

## ARTICLE XIX
## POST TERMINATION OBLIGATIONS

Section 19.1 After Termination

. On termination or expiration of this Agreement, Licensee will:

(a) within 10 days, pay all sums due and owing to Licensor, including all costs and expenses incurred by Licensor in obtaining injunctive relief in connection with the enforcement of this Agreement;

(b) cease using (and at Licensor's option, securely destroy or return when applicable) the Licensed IP and Hilton Data according to the following deadlines:

(i) immediately, cease creating new advertising, marketing and promotional materials in any form or media that contain the Licensed Marks;

(ii) immediately, cease all access to and use of Licensor's Confidential Information;

(iii) within 10 days, cease all access to the Licensed System;

(iv) within 10 days, at Licensor's option, securely destroy or return to Licensor all of Licensor's Confidential Information;

(v) within 20 days, delete all uses of Licensed Marks from all websites, social and mobile media and other digital or electronic venues in Licensee's possession or control and establish Licensor's designated employees as all contact names on any registrations or reservations for domain names, social, mobile media and similar identifiers;

(vi) within 30 days, file to change or transfer to Licensor, at Licensor's option, all corporate, trade and d/b/a names and vanity telephone numbers to names (or numbers corresponding to names) that do not contain any Licensed Marks;

(vii) within 60 days, cease using all Licensed Content in digital or electronic media;

(viii) within 6 months, cease using all business cards, stationery, brochures, portable signage and all other printed matter and collateral that is visible to the public and bears the Licensed Marks;

(ix) within 1 year, remove the Licensed Marks from all motor vehicles and large outdoor signage; and

(x) in the next replacement cycle, cease using all internal office collateral that is not visible to the public and bears the Licensed Marks.

Section 19.2 Liquidated Damages

. Each Party agrees that the termination of this Agreement due to the fault of Licensee will cause substantial damage to Licensor, and without limiting Licensor's right to seek injunctive or equitable relief, Licensor may in its sole discretion elect to receive, in lieu of actual damages, a payment of liquidated damages not as a penalty, but as a commercially reasonable estimate of the minimum just and fair compensation for its lost profits and/or direct damages. If Licensor so elects, such liquidated damages will be due thirty (30) days following any termination of this Agreement and shall be an amount equal to the net present

value as of the termination date of all unpaid Royalties and fees under Article III that Licensor expected (had Licensee not breached) to collect for the remainder of the Term. A discount rate of 8% shall be used to determine the net present value.

Section 19.3 Cross-Default

. Upon termination of this Agreement, all Standards and Agreements shall automatically terminate.

Section 19.4 Survival

. Section 1.1(b), Article III (for fees accruing prior to termination date), Section 4.2, Section 13.1, Section 14.1, Section 14.2(a), Section 15.1—Section 15.3, Section 16.1 and Section 16.5, Article XIX and Article XXI—Article XXV shall survive the expiration or termination of this Agreement.

## ARTICLE XX
## COMPLIANCE WITH LAWS

Section 20.1 Applicable Laws

. At all times during the Term, Licensee will (i) at its sole expense, operate the Licensed Vacation Ownership Business in strict compliance with all applicable Laws and (ii) subject to reimbursement by Licensor for its commercially reasonable out-of-pocket costs, provide Licensor with all information relating to the Licensed Vacation Ownership Business that is necessary or desirable to allow Licensor to comply with all applicable Laws.

Section 20.2 Notice of Events.

(a) Licensee shall promptly provide to Licensor all Information Licensor reasonably requests about Licensee and its Subsidiaries (including its and their respective beneficial owners, officers, directors, shareholders, partners or members) and/or the Licensed Vacation Ownership Business and the Licensed Vacation Ownership Properties;

(b) Licensee shall give Licensor notice within ten (10) business days of (i) any occurrence that reasonably could materially adversely affect any Licensed Vacation Ownership Property, the Licensed Vacation Ownership Business or the financial condition of Licensee, (ii) any communication from a Governmental Entity alleging that the Licensed Vacation Ownership Business (or Licensee's

(c) Operating of same) fails to comply with any Laws, or that may materially adversely affect the Operation or financial condition of Licensee or the Licensed Vacation Ownership Business or (iii) any potential or pending Action of which Licensee becomes aware (x) that names Licensor or its Subsidiaries, the Licensed IP or Hilton Data, (y) that would be reasonably likely to have a material adverse effect on the Licensed Vacation Ownership Business, the Licensed IP or Hilton Data or (z) with respect to which the amount in controversy relating to the Licensed Vacation Ownership Business exceeds five million dollars ($5,000,000 USD).

ARTICLE XXI
RELATIONSHIP OF PARTIES

Section 21.1 Consent Standard

. Any consent or approval given under this Agreement may be given or withheld by a Party in its sole discretion, unless otherwise specified.

Section 21.2 Independent Contractor

. The Parties are independent contractors, and nothing in this Agreement is intended to constitute or deem either Party as an agent, legal representative, fiduciary, subsidiary, joint venturer, partner, manager, employee or servant of the other Party for any purpose, provided that Licensor may act on Licensee's behalf as Licensee's agent for purposes of booking reservations at any Licensed Vacation Ownership Property. Nothing in this Agreement authorizes either Party to make, provide, or enter into any contract, agreement, warranty or representation on the other Party's behalf or to incur any debt or other obligation in the other Party's name.

ARTICLE XXII
GOVERNING LAW/DISPUTE RESOLUTION

Section 22.1 Governing Law

. This Agreement shall be governed by and construed in accordance with the Laws of the State of New York without reference to any choice-of-law or conflicts of law principles that would result in the application of the laws of a different jurisdiction.

Section 22.2 Negotiation

. In the event of a dispute arising out of or in connection with this Agreement (including its interpretation, performance or validity) (collectively, "Agreement Disputes"), the general counsels of the relevant Parties (or such other individuals designated thereby) shall negotiate for a maximum of 21 days (or a mutually-agreed extension) (such period of days, the "Negotiation Period") from the time of receipt by a Party of written notice of such Agreement Dispute. The relevant Parties shall not assert the defenses of statute of limitations and laches for any delays arising due to the procedures in Sections 22.2 or 22.3.

Section 22.3 Mediation

. If the Parties have not timely resolved the Agreement Dispute under Section 22.2, the Parties agree to submit the Agreement Dispute within to mediation no later than 10 days following the end of the Negotiation Period, with such mediation to be conducted in accordance with the Mediation Procedure of the International Institute for Conflict Prevention and Resolution ("CPR"). The Parties to the Agreement Dispute agree to bear equally the CPR and mediator's costs. The Parties agree to participate in good faith in the mediation for a maximum of 14 days (or a mutually agreed extension). If the Parties have not timely resolved the Agreement Dispute pursuant to this Section 22.3, either Party may then bring an action in accordance with Sections 22.4 and 22.5 herein.

Section 22.4 Consent to Jurisdiction

. Each Party irrevocably submits to the exclusive jurisdiction of (a) the Court of Chancery of the State of Delaware or (b) if such court does not have subject matter jurisdiction, any other state or federal court located within the County of New Castle in the State of Delaware, to resolve any Agreement Dispute that is not resolved pursuant to Sections 22.2 or 22.3. Any judgment of such court may be enforced by any court of competent jurisdiction. Further, notwithstanding Sections 22.2 and 22.3, either Party may apply to the above courts set forth in Section 22.4(a) & 22.4(b) above for a temporary restraining order or similar emergency relief during the process set forth in Sections 22.2 and 22.3. Each of the Parties agrees that service by U.S. registered mail to such Party's respective address set forth above shall be effective service of process for any of the above Actions and irrevocably and unconditionally waives any objection to the laying of venue of any Action in accordance with this Section 22.4. Nothing in this Section 22.4 shall limit or restrict the Parties from agreeing to arbitrate any Agreement Dispute pursuant to mutually-agreed procedures.

Section 22.5 Waiver of Jury Trial

. EACH OF THE PARTIES HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY ACTION ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, INCLUDING ANY AGREEMENT DISPUTE.

Section 22.6 Confidentiality

. All information and communications between the Parties relating to an Agreement Dispute and/or under the procedures in Sections 22.2 and 22.3 shall be considered "Confidential Information" under Article XIV herein.

Section 22.7 Continuity of Performance

. Unless otherwise agreed in writing, the Parties shall continue to perform under this Agreement during the course of dispute resolution under this Article XXII with respect to all matters not subject thereto.

## ARTICLE XXIII
## NOTICES

All notices under this Agreement shall be in English, in writing and given or made by delivery in person, by overnight courier service, by facsimile with receipt confirmed (followed by delivery of an original via overnight courier service) or by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Article XXIII):

To Licensor:

Hilton Worldwide Holdings Inc.
7930 Jones Branch Drive, Suite 1100
McLean, Virginia 22102

Attn: General Counsel
Facsimile: (703) 883-6188

To Licensee:

Hilton Grand Vacations Inc.
6355 MetroWest Boulevard, Suite 180
Orlando, Florida 32835
Attn: General Counsel
Facsimile: (407) 722-3776

## ARTICLE XXIV
## MISCELLANEOUS

Section 24.1 Complete Agreement; Construction

. This Agreement, including the Exhibits, shall constitute the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments, course of dealings and writings with respect to such subject matter.

Section 24.2 Counterparts

. This Agreement may be executed in more than one counterpart, all of which shall be considered one and the same agreement, and shall become effective when one or more such counterparts have been signed by each of the Parties and delivered to the other Parties. Facsimile or PDF signature shall serve as originals for purposes of binding the Parties hereto.

Section 24.3 Amendment

. This Agreement may not be modified or waived in whole or in part except by an agreement in writing signed by Licensor and Licensee.

Section 24.4 Third Party Beneficiaries

. This Agreement is solely for the benefit of the Parties and should not be deemed to confer upon third parties any remedy, claim, liability, reimbursement, claim of action or other right in excess of those existing without reference to this Agreement.

Section 24.5 Title and Headings

. Titles and headings to sections herein are inserted for the convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

Section 24.6 Severability

. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, and such provision shall be interpreted to fullest extent possible

consistent with the Parties' intent. Further, the Parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 24.7 Interpretation

. The Parties have participated jointly in the negotiation and drafting of this Agreement. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the Party drafting or causing any instrument to be drafted.

Section 24.8 No Waiver

. No failure to exercise and no delay in exercising, on the part of any Party, any right, remedy, power or privilege hereunder shall operate as a waiver hereof or thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 24.9 Cumulative Remedies

. No right or remedy conferred upon or reserved to Licensor or Licensee by this Agreement is intended to be, nor will be, deemed exclusive of any other right or remedy herein or by law or equity provided or permitted, but each will be cumulative of every other right or remedy.

Section 24.10 Force Majeure

. Neither Party (or any Person acting on its behalf) shall have any liability or responsibility for failure to fulfill any obligation (other than a payment obligation or Licensee's obligations under Article XIV) under this Agreement (which is an "Ancillary Agreement" as defined in the Distribution Agreement), so long as and to the extent to which the fulfillment of such obligation is prevented, frustrated, hindered or delayed as a consequence of circumstances of Force Majeure. A Party claiming the benefit of this provision shall, as soon as reasonably practicable after the occurrence of any such event: (a) notify the other Party of the nature and extent of any such Force Majeure condition and (b) use due diligence to remove any such causes and resume performance under this Agreement as soon as feasible.

## ARTICLE XXV
## WARRANTIES

Section 25.1 By Each Party

. Without modifying the Distribution Agreement, each Party represents and warrants to the other Party that: (i) the warranting Party has full power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement and (ii) this Agreement has been duly executed and delivered by the warranting Party and, assuming the due execution and delivery of this Agreement by both Parties, constitutes a valid and binding

agreement of the warranting Party enforceable against the warranting Party in accordance with its terms.

Section 25.2 Disclaimer

. Except as expressly set forth in Section 25.1, each Party disclaims any representations and warranties, either express or implied, with respect to this Agreement, and Licensor disclaims any representations and warranties, either express or implied, with respect to the Licensed Marks, including any warranty of ownership, non-infringement, suitability, value, fitness for use or non-infringement of third party rights.

Section 25.3 Limitation on Damages

. Except for claims arising under or breaches of Article XVI, neither Party will be liable to the other Party for any (i) special, incidental, indirect, exemplary, punitive or consequential damages or (ii) except for Licensor's reasonably estimated lost profits included in the liquidated damages payment in Section 19.2, lost profits, in each case, relating to this Agreement, regardless of whether such Party has been notified of the possibility or the foreseeability thereof.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the day and year first above written.

**HILTON WORLDWIDE HOLDINGS INC.**

By __
Name:
Title:

**HILTON GRAND VACATIONS INC.**

By: __
Name:
Title:

*[Signature Page to A&R License Agreement]*

**EXHIBIT A**

**DEFINITIONS**

As used in this Agreement, the following terms shall have the following meanings:

(1) "Action" shall mean any demand, action, claim, suit, countersuit, arbitration, inquiry, subpoena, case, litigation, proceeding or investigation (whether civil, criminal, administrative or investigative) by or before any court or grand jury, any Governmental Entity or any arbitration or mediation tribunal.

(2) "Acquired Vacation Business" has the meaning set forth in Section 2.6(a).

(3) "Acquired Vacation Property Inventory" has the meaning set forth in Section 2.6(c).

(4) "Affiliate" shall mean, when used with respect to any Person, another Person that directly or indirectly Controls, is Controlled by or is under common Control with such Person. For clarity, Licensor, Licensee and PHRI (and their respective Subsidiaries after the Effective Date) shall not be deemed to be Affiliates of each other in this Agreement.

(5) "Agreement" means this Amended and Restated HGV License Agreement, including all Exhibits and Schedules (including those included in the Original Agreement), as each may be amended by the Parties from time to time.

(6) "Amendment Effective Date" has the meaning set forth in the Recitals.

(7) "Blocked Person" shall mean (i) a Person designated by the U.S. Department of Treasury's Office of Foreign Assets Control as a "specially designated national or blocked person" or similar status; (ii) a Person described in Section 1 of U.S. Executive Order 13224, issued on September 23, 2001; or (iii) a Person otherwise identified by government or legal authority as a Person with whom Licensor, Licensee or any of their Affiliates, are prohibited from transacting business As of the Effective Date, a list of such designations and the text of the Executive Order are published under the internet website address www.ustreas.gov/offices/enforcement/ofac.

(8) "Brand Standards" shall mean the guidelines developed for use with the Licensed Vacation Ownership Business as modified, amended or supplemented from time to time in accordance with Article VII, which include without limitation standards and specifications related to health, fire and life safety, security, guest services and assistance, quality assurance as well as design and construction standards, it being acknowledged Brand Standards differ from other Licensor brand standards in a manner to reflect appropriate differences between hotel service levels and service levels applicable to the Licensed Vacation Ownership Business.

(9) "Call" has the meaning set forth in the Marketing Services Agreement.

(10) "Closing" has the meaning set forth in the Recitals.

(11) "Club Revenue" shall mean Licensee's revenue resulting from the collection of annual dues paid by members (mandatory and voluntary) of the Licensed Exchange Program.

(12) "Co-Located Licensor Lodging Property" has the meaning set forth in Section 5.6(a).

(13) "Confidential Information" shall mean all confidential, proprietary or non-public Information, content or materials in any form or media provided by or on behalf of a Party to the other Party hereunder, including any information relating to a Party or its Subsidiaries (or any other Person who has provided such Information to them under obligations of confidentiality) and/or their respective activities, businesses or operations, including financial, technical, customer, personnel and marketing Information. For clarity, Licensor's Confidential Information shall include the Standards and Agreements, Hilton Data, Licensed Software and Licensed System.

(14) "Contract Sales" shall mean the sum of (i) the gross sale price paid or to be paid to a third party in a fee for service transaction or arrangement for the initial sale or re-sale of interests held by third parties in Vacation Ownership Properties, and (ii) gross sale price paid or to be paid for the initial sale or re-sale of interests held in Vacation Ownership Properties, regardless of whether any part thereof is financed. For the avoidance of doubt, the Contract Sales excludes maintenance fees, management fees, dues, exchange fees, enrollment fees, closing costs, transaction costs, including brokerage commissions and expenses, applicable Taxes paid by an owner of Vacation Ownership Business or its Affiliates or gross up for Taxes paid by purchasers, or interest or financing charges with respect to financed purchases.

(15) "Control" of a person shall mean having direct or indirect (i) ownership of all or substantially all of the properties or assets of a person; (ii) right to appoint a majority of the members of the board of directors of such person; and/or (iii) beneficial ownership of more than 50% of the total voting power of the outstanding shares of stock or other equity interests of such person entitled to vote in the election of directors, or otherwise to participate in the direction of the management and policies, of such person (excluding shares or equity interests entitled so to vote or participate only upon the happening of some contingency). For the purposes of this definition, "person" and "beneficial owner" have the meanings used in Section 13(d) of the Securities Exchange Act of 1934, as amended.

(16) "CPI" shall mean the "Consumer Price Index" published by the Bureau of Labor Statistics of the United States Department of Labor, U.S. City Average, All Items (Not Seasonally Adjusted) (1982-1984=100). If the Consumer Price Index is hereafter converted to a different standard reference base or otherwise revised, any determination hereunder that uses the Consumer Price Index shall be made with the use of such conversion factor, formula or table for converting the Consumer Price Index as may be published by the Bureau of Labor Statistics, or, if the bureau shall no longer publish the same, then with the use of such conversion factor, formula or table as may be published by any nationally recognized publisher of similar statistical information.

(17) "CPI Adjustment" has the meaning set forth in Section 18.3(b).

(18) "CPR" has the meaning set forth in Section 22.3.

(19) "Data Security Policies" shall mean any current or future posted or internal agreement, standard or policy of a Person relating to the integrity, operation, redundancy, disaster recovery, security testing, monitoring and remediation of Systems used in such Person's or its Affiliates' business (and the data therein).

(20) "Deflag" shall mean, with respect to (i) a Licensed Vacation Ownership Property, for such property to lose its license to use the Hilton Data, Loyalty Program and Licensed IP herein and (ii) Licensor Lodging Property, for Licensor to cease Operating such property under a Hilton Mark.

(21) "Deflagged Property" has the meaning set forth in Section 18.1.

(22) "Deflagging Event" has the meaning set forth in Section 18.1.

(23) "Diamond" has the meaning set forth in the Recitals.

(24) "Diamond Business" the Vacation Ownership Business and related businesses as owned and/or operated by Diamond and its Subsidiaries at the time of the Merger.

(25) "Diamond Property" means each Vacation Ownership Property acquired by Licensee from Diamond as part of Diamond Business in connection with the Merger.

(26) "Disclosing Party" has the meaning set forth in Section 14.1(a).

(27) "Disputes" has the meaning set forth in Section 22.2.

(28) "Distribution Agreement" has the meaning set forth in the Recitals to this Agreement.

(29) "Effective Date" has the meaning set forth in the opening paragraph of this Agreement.

(30) "Eligible HOA Expenses" shall mean Eligible HOA operating expenses, reserves and real estate taxes to the extent Licensee's compensation from the Eligible HOA is calculated upon such amounts collected from all owners other than Licensee.

(31) "Eligible HOAs" shall mean HOAs operated in connection with Licensed Vacation Ownership Properties (i) subsequent to the Effective Date of this Agreement and ii) along with the following Licensed Vacation Ownership Properties operated as of the Effective Date: HLTV Vacation Suites, LV Tower 52 Vacation Suites, AOC Vacation Suites, Ocean 22 Vacation Suites, Sunrise Lodge, Las Palmeras, GI Vacation Suites, Ocean Oak Vacation Suites, TD Suites, HC Suites and BW Vacation Suites. Future phases of existing resorts where new phases will be combined with existing phases for HOA assessment purposes, such as RL Vacation Suites, WBKL Vacation Suites and Las Vegas Boulevard Vacation Suites, shall be excluded from this definition, however, if such new phases are not under the existing HOA, they shall be counted when assessing Royalty.

(32) "Exchange Program" shall mean any program or arrangement for the voluntary exchange of the right to use and occupy an accommodation unit for the right to use or occupy another accommodation unit.

(33) "Fee For Services Sales Price" shall mean the gross sale price paid or to be paid to a third party in a fee for service transaction or arrangement for the initial sale or re-sale of interests held by third-parties in Licensed Vacation Ownership Properties (excluding HGVClub at Craigendarroch Suites and HGVClub at MarBrisa). For the avoidance of doubt, the Fee For Services Sales Price excludes maintenance fees, management fees, dues, exchange fees, enrollment fees, closing costs, transaction costs, including brokerage commissions and expenses, applicable Taxes paid by Licensee or its Affiliates or gross up for Taxes paid by purchasers, or interest or financing charges with respect to financed purchases. To the extent that interests in Licensed Vacation Ownership Properties are used as consideration, in whole or in part, for the purchase of interests in other Licensed Vacation Ownership Properties (i.e., upgrades), then the Fee For Services Sales Price shall be the difference between the gross sales price paid by the owner for the prior interest in the Licensed Vacation Ownership Property and the gross sales price paid by the owner for the newly acquired interest in the Licensed Vacation Ownership Property.

(34) "Force Majeure" shall mean, with respect to a Party, an event beyond the commercially reasonable control of such Party (or any Person acting on its behalf), which by its nature could not have been foreseen by such Party (or such Person), or, if it could have been foreseen, was unavoidable, and includes acts of God, storms, floods, riots, labor unrest, pandemics, nuclear incidents, fires, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared) or armed hostilities or other national or international calamity or one or more acts of terrorism or failure of energy sources or distribution facilities.

(35) "Fractional Vacation Club Business" shall mean (i) business of Operating properties for vacation or leisure purposes in which Persons acquire an shared ownership interest in or right to use (including through interests in a land trust or similar real estate vehicle, Destination Club, and/or in the form of points, deeded weeks or other currency) one or more specified overnight accommodations and associated facilities, in each case, on a recurring, minimum periodic basis greater than twenty-seven (27) days per calendar year, and pay for such interest or right in advance (whether payments lump-sum or periodically over time and (ii) natural ancillary products or services for such business.

(36) "GBCS Services" shall mean a series of commercial services centrally delivered by Licensor including, but not limited to, group lead generation, business travel sales RFP management, sales operational support, EDGE program management and online demand generation and optimization, and third party distribution.

(37) "Governmental Entity" shall mean any (i) nation or government, any state, municipality or other political subdivision thereof; (ii) entity, body, agency, commission, department, board, bureau or court, whether U.S., state, municipal, foreign or multinational, exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any official thereof; and (iii) stock exchange or industry self-regulatory organization.

(38) "Gross Revenues" shall mean the sum of:

(a) the aggregate Gross Sales Price;

(b) the Fee For Services Sales Price;

(c) Leasehold Sales Price Amortization;

(d) Property Operations Revenue;

(e) Club Revenue;

(f) Marketing Package Revenue;

(g) Transient Rental Revenue; and

(h) Eligible HOA Expenses.

For the avoidance of any doubt, Gross Revenues shall not include any New Brand Gross Revenues

(39) "Gross Sales Price" shall mean the gross sale price paid or to be paid to Licensee or its Affiliates for the initial sale or re-sale of interests, other than those sold with a reversionary leasehold interest, held by Licensee or its Affiliates in Licensed Vacation Ownership Properties (excluding HGVClub at Craigendarroch Suites and HGVClub at MarBrisa), regardless of whether any part thereof is financed by Licensee or any third-party. For the avoidance of doubt, the Gross Sales Price excludes bad debt expense, maintenance fees, management fees, dues, exchange fees, enrollment fees, closing costs, transaction costs, including brokerage commissions and expenses and incentives granted to a purchaser at the time of purchase, applicable Taxes paid by Licensee or its Affiliates or gross up for Taxes paid by purchasers, or interest or financing charges with respect to financed purchases. To the extent that interests in Licensed Vacation Ownership Properties are used as consideration, in whole or in part, for the purchase of interests in other Licensed Vacation Ownership Properties (i.e. upgrades), then the Gross Sales Price shall be the difference between the original gross sales price paid for the first Licensed Vacation Ownership Property and gross sales price of the newly acquired Licensed Vacation Ownership Property.

(40) "Honors LLC" has the meaning set forth in Section 7.5.

(41) "Hilton Competitor" shall mean any Person who (i) Operates a Lodging Business and/or (ii) competes with Licensor or its Subsidiaries in any other business other than exclusively in the Vacation Ownership Business at any time during the Term, and the Affiliates of any such Person.

(42) "Hilton Data" shall mean the Loyalty Program Data and all guest, customer or member profiles, contact information (including addresses, phone numbers and email addresses), histories, preferences and other related information obtained or derived from guests, customers or members in connection with any Lodging Business of Licensor or its Subsidiaries.

(43) "Hilton Information Technology System Agreement" shall mean that certain Hilton Information Technology System Agreement which the Parties have entered into concurrent with this Agreement.

(44) "Hilton Marks" shall mean all Trademarks owned or controlled by Licensor or its Affiliates, including the Licensed Marks.

(45) "HOA" shall mean an association of owners with ownership interests in a Vacation Ownership Property (i.e., the single governing association, not the individual homeowners within the HOA).

(46) "Information" shall mean information and data in any form or media, including written, oral, electronic, computerized or digital.

(47) "Initial Noncompetition Term" has the meaning set forth in Section 2.2(a).

(48) "Integration Period" shall mean the time period beginning on the first day of the month immediately following the month in which the Closing occurs and ending on the fifth anniversary of such first day of the month immediately following the month in which Closing occurs.

(49) "Intellectual Property" shall mean all worldwide intellectual property, proprietary and industrial property rights, including all (i) patents, patent applications, inventions and invention disclosures and utility models, (ii) trademarks, service marks, corporate, trade, d/b/a or similar names, logos, slogans, designs, trade dress, domain names, social and mobile media identifiers and other designations of source or origin, together with the goodwill symbolized by any of the foregoing (collectively, "Trademarks"), (iii) copyrights, (iv) trade secrets, know-how, processes and methods, and (v) all registrations, applications, continuations, continuations-in-part, divisionals, reissues, re-examinations, substitutions, renewals, extensions and foreign counterparts thereof.

(50) "Laws" shall mean all laws, statutes, ordinances, orders, rules, directives, judgments and decrees (by consent or otherwise), regulations, codes, permits, licenses, certificates, authorizations, directions and requirements of, issued by or executed with any Governmental Entity.

(51) "Leasehold Sales Price Amortization" shall mean the recognition of the sales price of a Licensed Vacation Ownership Property sold subject to a reversionary leasehold interest. For avoidance of doubt, Leasehold Sales Price Amortization will be calculated by multiplying the sales price of the Licensed Vacation Ownership Property by a fraction, the numerator of which is the time period over which the license is being recognized and the denominator is the leasehold period.

(52) "Licensed Content" shall mean all consumer-facing advertising and promotional materials in any form or media that are owned by Licensor or its Subsidiaries and displayed in print, digital, electronic or computerized form and are provided to Licensee in Licensor's discretion during the Term for use in connection with the Licensed Vacation Ownership

Business, but excluding all software, information technology infrastructure and other non-consumer-facing assets and items.

(53) "Licensed Exchange Program" shall mean an exchange program operated by Licensee that uses the Licensed Marks. For example, as of the date of this Agreement, Licensee operates the following Licensed Exchange Programs: Hilton Grand Vacations Club Exchange Program and Hilton Club Exchange Program. Any combined exchange program formed by Licensee that uses the Licensed Marks and includes the Diamond Properties shall be considered a Licensed Exchange Program (except for the purposes of calculating the Royalty and New Brand Royalty pursuant to Article III).

(54) "Licensed HOA" shall mean the HOA in the Licensed Vacation Ownership Business that has hired Licensee to manage its Licensed Vacation Ownership Property.

(55) "Licensed IP" shall mean the Licensed Marks, the Licensed Content, the Licensed System and the Licensed Software.

(56) "Licensed Marks" shall mean the trademarks "Hilton Grand Vacations" and "HGV" and "Hilton Club" in their entirety, and not any variations thereof, including the term "Hilton" standing alone or used with any other words, terms, designs or other elements, including those registered trademarks set forth on Exhibit C of the Original Agreement.

(57) "Licensed Software" shall mean the business software and hardware system, currently known as OnQ, which Licensor may periodically change in its sole discretion (including changes to the way in which OnQ data is delivered to users and their properties), that is currently comprised of software that includes a proprietary property management component, reservations component, revenue management component, rate & inventory component, learning management component and other components Licensor considers necessary to support the following activities: reservations, sales, distribution, customer relationship management, operations, and business intelligence gathering and analysis.

(58) "Licensed System" shall mean Licensor's then-current reservation system pursuant to which Licensor offers inventory of vacant rooms to the public.

(59) "Licensed Vacation Ownership Business" shall mean (i) Licensee's business of Operating the Licensed Exchange Program and Licensed Vacation Ownership Properties (or interests therein) for vacation or leisure purposes, (ii) natural extensions of and ancillary products and services for such business of Licensee, including membership services, financing, establishing and operating sales facilities, managing rental programs associated with Licensed Vacation Ownership Properties, but excluding products on Exhibit D of the Original Agreement or products and services of the type excluded from the Vacation Ownership Business definition, (iii) products and services that Licensor has approved pursuant to Section 9.4 and (iv) the products and services of Licensee set forth on Exhibit E of the Original Agreement. Such term shall also include New Brand Licensed Vacation Ownership Business, as appropriate.

(60) "Licensed Vacation Ownership Property" shall mean the existing Licensed Vacation Ownership Properties and Vacation Ownership Properties under development listed in

Exhibit F of the Original Agreement and additional Vacation Ownership Properties approved by Licensor pursuant to Section 9.1, and for clarity, excluding any Separate Operations and any Non-Licensed Existing Projects. Where the Licensed Vacation Ownership Property is limited to Licensed Vacation Ownership Property units being offered within a larger, mixed-use facility, and Licensee or its Affiliates do not control the other improvements, structures, facilities, entry and exit rights, parking, pools, landscaping, and other appurtenances located at such facility, then the Licensed Vacation Ownership Property shall refer to such Licensed Vacation Ownership Property units and not to which Licensee or its Affiliates do not control. Such term shall also include New Brand Licensed Vacation Ownership Property, as appropriate.

(61) "Licensee" has the meaning set forth in the opening paragraph of this Agreement.

(62) "Licensee Data" shall mean all guest, customer or member profiles, contact information (including addresses, phone numbers and email addresses), histories, preferences and other related information obtained or derived by Licensee or its Subsidiaries from guests, customers or members in connection with (i) owners of Licensed Vacation Ownership Properties in their capacity as owners of such Licensed Vacation Ownership Properties; and (ii) owners or other guests, members or customers of the Licensed Vacation Ownership Business to the extent collected by Licensee or its Subsidiaries in connection with the marketing and sale of Licensed Vacation Ownership Properties. "Licensee Data" shall not include any (x) Loyalty Program Data or (y) data collected from owners, members or other guests or customers in connection with a transient stay or event at Licensed Vacation Ownership Properties, except as covered by subsection (ii) above.

(63) "Licensee Parties" has the meaning set forth in Section 5.9(a).

(64) "Licensee System" shall mean, collectively, all Systems used in the Licensed Vacation Ownership Business, whether owned by Licensee or any other Person.

(65) "Licensor" has the meaning set forth in the opening paragraph of this Agreement.

(66) "Licensor Brand Identity Guidelines" shall mean Licensor's general guidelines for its licensees' use of the Licensed Marks, as may be modified by Licensor and provided to Licensee throughout the Term.

(67) "Licensor Lodging Properties" shall mean those hotels, resorts and other lodging properties that are Operated by Licensor or its Affiliates, including those bearing the Waldorf Astoria Hotels & Resorts, LXR Hotels & Resorts, Conrad Hotels & Resorts, Canopy by Hilton, Signia by Hilton, Hilton Hotels & Resorts, Curio—A Collection by Hilton, DoubleTree by Hilton, Tapestry – A Collection by Hilton, Embassy Suites Hotels, Tempo by Hilton, Hilton Garden Inn, Hampton by Hilton, Tru by Hilton, Homewood Suites by Hilton, Home2 Suites by Hilton and Hilton brand names.

(68) "Lodging Business" shall mean the (i) business of Operating hotels, resorts or other transient or extended stay lodging, fractional residential sales, whole ownership or branded residential sales, destination clubs, travel clubs, travel agencies (including online travel agencies), serviced apartments, condo hotels, home sharing and similar facilities and (ii) all

related ancillary services, including travel agent services and loyalty programs (in any current or future media).

(69) "Losses" has the meaning set forth in Section 16.1(a).

(70) "Loyalty Program" shall mean the guest frequency or reward program predominantly used by Licensor Branded Lodging Properties at any time during the Term, which such program is currently titled the Hilton HHonors® program.

(71) "Loyalty Program Data" shall mean all member profiles, contact information (including addresses, phone numbers and email addresses), histories, preferences and other related information obtained or derived from members of the Loyalty Program.

(72) "Loyalty Program Points" shall mean any point credits earned by Loyalty Program members that are redeemable for various rewards in the Loyalty Program.

(73) "Major Brand" shall mean those names or brands developed by Licensee after the Merger that are associated with the Licensed Vacation Ownership Business or otherwise advertised or marketed with any Hilton Marks and which comprise a significant or material portion of Licensee's business, including but not limited to any name or brand developed for the New Brand Offering or any new Exchange Program. Major Brand shall not include names or brands used to identify ancillary services, specific resorts (unless Hilton Marks are used) or benefits offered from time to time, such as ClubPartner Perks or Elite Privileges, nor shall Major Brand include any name, brand or Intellectual Property acquired by Licensee through the Merger (unless used as part of the Licensed Vacation Ownership Business); provided, however, that Licensor shall not be prohibited from using such names or brands in the Lodging Business other marks that are registered trademarks.

(74) "Marketing Agreements" has the meaning set forth in Section 9.6(a).

(75) "Marketing Content" has the meaning set forth in Section 9.5(a).

(76) "Marketing Package Revenue" shall mean revenue from the sale of vacation packages for stays at Licensor Lodging Properties or Licensed Vacation Ownership Properties which relate to the marketing of Licensed Vacation Ownership Properties which includes the sale of trial memberships of the Licensed Exchange Program known as exit, sampler or vacation introduction programs as well as forfeiture revenue related to the expiration of vacation packages and trial memberships.

(77) "Marketing Services Agreement" has the meaning set forth in Section 11.1.

(78) "Measuring Year" has the meaning set forth in Section 2.2(b).

(79) "Member Service Center" shall mean a facility at which Licensee provides owners of Vacation Ownership Properties with off-site services with respect to their use and enjoyment of such ownership interests.

(80) "Merger" has the meaning set forth in the Recital.

(81) "New Brand" shall mean such new brand or brands to be developed by Licensee after the Closing of the Merger in connection with the Integration of Diamond Business.

(82) "New Brand Eligible HOA" shall mean HOAs operated in connection with New Brand Licensed Vacation Ownership Properties

(83) "New Brand Eligible HOA Expenses" shall mean New Brand Eligible HOA operating expenses, reserves and real estate taxes to the extent Licensee's compensation from the New Brand Eligible HOA is calculated upon such amounts collected from all owners other than Licensee.

(84) "New Brand Fee For Services Sales Price" shall mean any applicable Fee For Services Sales Price that is associated with New Brand Offering.

(85) "New Brand Gross Revenues" shall mean the sum of:

(a) the aggregate New Brand Gross Sales Price;

(b) New Brand Fee For Services Sales Price, if any or applicable;

(c) New Brand Leasehold Sales Price Amortization, if any or applicable;

(d) New Brand Property Operations Revenue;

(e) New Brand Offering Revenue;

(f) New Brand Marketing Package Revenue; and

(g) New Brand Transient Rental Revenue.

(86) "New Brand Gross Sales Price" shall mean the Gross Sale Price but only as applicable to New Brand Licensed Vacation Ownership Properties and sales of interests in New Brand Offering. New Brand Gross Sales Price shall not include the sale of any Diamond Property or other Diamond Business offering that does not utilize any Licensed IP, Hilton Data or Loyalty Program benefits.

(87) "New Brand Leasehold Sales Price Amortization" shall mean any applicable Leasehold Sales Price Amortization for New Brand Licensed Vacation Ownership Properties that is associated with New Brand Offering.

(88) "New Brand Licensed Vacation Ownership Business" shall mean Licensee's business of operating an Exchange Program of a New Brand, New Brand Licensed Vacation Ownership Properties, and/or New Brand Offering for vacation or leisure purposes, (ii) natural extensions of and ancillary products and services for such business of Licensee, including membership services, financing, establishing and operating sales facilities, managing rental programs associated with New Brand Licensed Vacation Ownership Properties, but excluding products and services of the type excluded from the Vacation

Ownership Business definition, and (iii) products and services that Licensor has approved pursuant to Section 9.4**.**

(89) "New Brand Licensed Vacation Ownership Property" shall mean any Diamond Property that has been converted into Licensed Vacation Ownership Property in accordance with Section 5.2, which property may be re-branded with a New Brand or may be branded with an Existing Licensed Mark.

(90) "New Brand Marketing Package Revenue" shall mean revenue from the sale of vacation packages for stays at Licensor Lodging Properties or New Brand Licensed Vacation Ownership Properties which relate to the marketing of New Brand Licensed Vacation Ownership Properties which includes the sale of trial memberships of New Brand Licensed Exchange Program known as exit, sampler or vacation introduction programs as well as forfeiture revenue related to the expiration of vacation packages and trial memberships.

(91) "New Brand Offering" shall mean one or more future package of benefits and services which may or may not constitute a separate Exchange Program to be developed by Licensee in accordance with Section 5.10 and operated by Licensee using New Licensed Marks, which offering will provide access across all or a portion of the Licensed Exchange Program and all or a portion of the New Brand Licensed Vacation Ownership Properties along with access to certain other agreed Licensor benefits.

(92) "New Brand Offering Revenue" shall mean Licensee's revenue resulting from the collection of upgrade fees or annual dues paid by members (mandatory and voluntary) related to a New Brand Offering.

(93) "New Brand Property Operations Revenue" shall mean Property Operations Revenue related to New Brand Licensed Vacation Ownership Properties.

(94) "New Brand Transient Rental Revenue" shall mean Transient Rental Revenue related to New Brand Licensed Vacation Ownership Properties.

(95) "New Licensed Marks" shall mean such new trademarks to be developed and agreed upon by the Parties in accordance with Section 5.10 in connection with the New Brand Offering or otherwise.

(96) "New Property" has the meaning set forth in Section 5.2(b).

(97) "Noncompetition Term" shall have the meaning set forth in Section 2.2(b).

(98) "Non-Licensed Existing Projects" shall mean the projects that do not use the Licensed Marks and existed prior to the Effective Date listed on Exhibit G of the Original Agreement. Non-Licensed Existing Projects shall also mean those properties acquired by Licensee from Diamond pursuant to the Merger that do not use the Licensed Marks due to the inability of such properties to meet the approval requirements established by Licensor without significant financial investment.

(99) "Original Agreement" means that certain HGV License Agreement, dated as of January 2, 2017, including all Exhibits and Schedules, as each may be amended by the Parties from time to time.

(100) "Operate" shall mean, with respect to a business or property, (i) owning, financing, developing, redeveloping, managing, marketing, operating, licensing, leasing or franchising vacation properties; and/or (ii) acquiring or selling ownership of or the right to use individual units within properties included in such business.

(101) "Operating Guidelines" shall mean Licensor's general guidelines set forth on Exhibit B of the Original Agreement for operation of Vacation Ownership Properties under the Licensed Marks, as may be modified by Licensor throughout the Term.

(102) "Parties" has the meaning set forth in the opening paragraph of this Agreement.

(103) "Party" has the meaning set forth in the opening paragraph of this Agreement.

(104) "Party Agreements" has the meaning set forth in the definition of Standards and Agreements.

(105) "Percentage of Completion" shall mean a fraction of which the numerator is the total project construction costs incurred for a Licensed Vacation Ownership Property under construction at the end of a reporting period and the denominator is the total expected project construction costs for such Licensed Vacation Ownership Property.

(106) "Person" shall mean any natural person, firm, individual, corporation, business trust, joint venture, association, company, limited liability company, partnership or other organization or entity, whether incorporated or unincorporated, or any Governmental Entity.

(107) "PHRI" has the meaning set forth in the Recitals to this Agreement.

(108) "Privacy Policy" shall mean any current or future posted or internal agreement, standard or policy of a Person relating to privacy, personal, regulated or confidential information or personally identifiable information.

(109) "Program Fee" shall mean the fee paid by Licensor's branded hotels to Licensor or its designee for various programs benefitting Licensor's branded hotel system, including (i) advertising, promotion, publicity, public relations, market research, and other marketing programs, (ii) developing and maintaining directories and Internet sites for properties; (iii) developing and maintaining the reservation service systems and support; (iv) quality assurance programs; and (v) administrative costs and overhead related to the administration or direction of these projects and programs.

(110) "Property Operations Revenue" shall mean Licensee's or its Affiliates' gross revenue resulting from the operation of spas and wellness centers; retail; food and beverage; and other on-property operations, in conjunction with a Licensed Vacation Ownership Property. Property Operations Revenue shall not include any onsite revenue related to the Anderson Ocean Club with respect to managing the Anderson Ocean Club HOA (this

property is a joint timeshare and whole ownership project that includes multiple associations and the revenues represent reimbursements from the various associations).

(111) "Purchase Contract" has the meaning in Section 3.1(b)(i).

(112) "Reasonable Best Efforts" shall mean (i) commercially reasonable efforts plus, if necessary, (ii) any additional actions that do not (x) incur material out-of-pocket costs; (y) require material additional employee resources; and/or (z) materially interfere with the conduct of the performing party's applicable business.

(113) "Receiving Party" has the meaning set forth in Section 14.1(a).

(114) "Recipients" has the meaning set forth in Section 14.1(a).

(115) "Related Parties" has the meaning set forth in Section 16.1(a).

(116) "Renewal Noncompetition Term" has the meaning set forth in Section 2.2(b).

(117) "Royalty" has the meaning set forth in Section 3.1(a)(i).

(118) "Sales Facilities" shall mean galleries, desks and other physical facilities from which interests in units of Vacation Ownership Properties are offered and sold to the public.

(119) "Security Breach" has the meaning set forth in Section 14.2(d).

(120) "Separate Operations" shall mean a project or business that satisfies all of the following conditions: (i) it is operated completely separately from the Licensed Vacation Ownership Business with respect to physical locations of Licensed Vacation Ownership Properties and is not directly exchangeable or interchangeable with Licensed Vacation Ownership Properties (including through Exchange Programs owned or operated by Licensee or its Affiliates); (ii) it is sold through separate and distinct sales locations and personnel (other than common regional-level management personnel) from the Licensed Vacation Ownership Business and uses separate Member Service Centers and Sales Facilities; (iii) it is operated and marketed without use of (or access to) the Loyalty Program, any Licensed IP or Hilton Data (or any key word, ad word, metatag or similar device designed to attract viewers or users in online, social, mobile or other media that uses a Licensed Mark); (iv) it is not a Subsidiary of, or operated directly or indirectly by a Person that uses the Licensed Marks as a corporate, trade or d/b/a name; and (v) it is advertised, marketed and otherwise presented to the public as being operated completely separately from the Licensed Vacation Ownership Business.

(121) "Shortfall Payment" has the meaning set forth in Section 2.2(c).

(122) "Standards" has the meaning set forth in the definition of "Standards and Agreements."

(123) "Standards and Agreements" shall mean all (i) standards, rules, guidelines, manuals and policies that are provided to the Licensee, including Brand Standards, Licensor Brand

Identity Guidelines, Licensor's Privacy Polices, Data Security Policies and Operating Guidelines (the "Standards") and (ii) agreements executed by the Parties as of the Effective Date (other than the Agreement) or at any time during the Term, in each case, with respect to the Licensed IP or Hilton Data and/or any aspect of Licensee's activities, the Licensed Vacation Ownership Business and the Marketing Services Agreement (the "Party Agreements").

(124) "Subsidiary" shall mean, when used with respect to any Person, another Person that is directly or indirectly Controlled by such Person.

(125) "Systems" shall mean software, systems, networks, computers, hardware and other information technology assets.

(126) "Tail Period" has the meaning set forth in Section 4.2.

(127) "Taxes" has the meaning set forth in Section 3.8.

(128) "Term" has the meaning set forth in Section 4.1.

(129) "Territory" for each Licensed Mark shall mean all countries and jurisdictions worldwide in which (i) Licensor has a valid registration for such Licensed Mark as of the Effective Date or (ii) Licensor has approved Licensee's use of the Licensed Mark in writing pursuant to Section 5.2.

(130) "Trademarks" has the meaning set forth within the definition of "Intellectual Property."

(131) "Transient Rental Revenue" shall mean all revenues generated from the transient rental of inventory of Licensed Vacation Ownership Properties and conversion properties (but not Marketing Package Revenue) (i) that is held for development and sale and owned by a Licensee Party; (ii) that is Controlled by Licensee or its Affiliates as a result of Vacation Ownership Property Owner's participation in programmatic elements of Licensed Vacation Ownership Business (e.g., exchange, banking, borrowing, Brand Loyalty Program trade, and similar programs); and (iii) that is Controlled by Licensee, its Affiliates or an HOA as a result of Vacation Ownership Property Owner default (e.g., maintenance fee defaults or financing defaults) pending foreclosure or cure in the ordinary course of business. Transient Rental Revenue shall also include bonus point, guest resort charge, open season rental, access fees and no show revenue for stays at Licensed Vacation Ownership Properties.

(132) "Undeveloped Parcels" has the meaning set forth in Section 5.3(a).

(133) "Vacation Ownership Business" shall mean (i) the business of Operating Vacation Ownership Properties (or interests therein) for vacation or leisure purposes, (ii) natural ancillary products and services for such business of Licensee, including membership services, Exchange Programs, financing, establishing and operating sales facilities, managing rental programs associated with Vacation Ownership Properties, but excluding destination clubs, travel clubs, travel agencies (including online travel agencies), serviced apartments, condo hotels, home sharing and similar facilities, (iii) products and services that Licensor has

approved Licensee to offer pursuant to Section 9.4, and (iv) any business ancillary amenities to Vacation Ownership Properties, such as country clubs, spas, golf courses, food and beverage outlets, gift and sundry shops, only if they are physically located on a Vacation Ownership Property (and excluding any of same, if they are not physically located on such property). Vacation Ownership Business excludes the Fractional Vacation Club Business, Whole Ownership Business, and any products and services of the type set forth on Exhibit H of the Original Agreement.

(134) "Vacation Ownership Property" shall mean (i) a property in which Persons acquire an ownership interest in or right to use (including through interests in a land trust or similar real estate vehicle and/or in the form of points, deeded weeks or other currency) one or more specified overnight accommodations and associated facilities on a recurring, periodic basis, in all cases for less than 28 days per calendar year, and pay for such interest or right in advance (whether payments lump-sum or periodically over time), (ii) all improvements, structures, facilities, entry and exit rights, parking, pools, landscaping and other appurtenances (including the property building) located at the site of the property and (iii) all furniture, fixtures, equipment, supplies and inventories installed or located in such improvements at the site of the property.

(135) "Whole Ownership Business" shall mean the business of developing or operating a project that includes whole residential units, including single family homes, condominium units, or other housing units which are owned on a whole (not fractional) ownership basis.

**References; Interpretation.**

References in this Agreement to the singular include references to the plural and vice versa. The word "including" shall be deemed to be followed by the phrase "without limitation". All references to "$" or "dollar" herein shall be references to U.S. dollars. Unless the context otherwise requires, the words "hereof", "hereby" and "herein" and words of similar meaning when used in this Agreement refer to this Agreement in its entirety.

The Parties acknowledge that given the long length of the Term, evolutions in technology and industry practices will occur. Therefore, the definitions herein shall be interpreted broadly to include new media and distribution channels or new industry products and services that are equivalent or analogous to those existing on the Effective Date, so as to give each Party the full benefit of its bargain herein over the Term. By way of example, the terms telephone, domain names, metatags and credit cards shall be interpreted to include their successor versions and replacements during the Term.

**SCHEDULE 5.4**

**Project at Third Party Hotels**

- The Modern at Honolulu
- Embarc Vancouver

**SCHEDULE 5.10(b)**

**Special Provisions Arising From the Merger**

The Parties will cooperate with respect to the creation and launching of any new "brand(s)" related to Licensee's Vacation Ownership Business using the "Hilton [X] Vacation(s) Club" construct. Licensor agrees to the use of (a) "Hilton Club" and "Hilton Grand Vacation(s) Club" for the existing HGV brands and (b) "Hilton Vacation(s) Club" branding for the HGV/Diamond Club product and New Brand properties. And Licensee agrees that, whenever it uses the words "Hilton Club," it shall be in combination with such words as to clearly indicate its use in connection or association with Hilton Grand Vacations and the Licensed Vacation Ownership Business (e.g., [XX] Hilton Club by Hilton Grand Vacations, etc.); provided, that, for the first two years following the Closing, Licensee will do so only to the extent it is feasible and practicable.

**AWARD NOTICE AND**

**PERFORMANCE SHARE UNIT AGREEMENT HILTON 2017 OMNIBUS INCENTIVE**

**PLAN**

The Participant has been granted Performance Shares with the terms set forth in this Award Notice, and subject to the terms and conditions of the Plan and the Performance Share Agreement (including the terms and conditions set forth in the appendices attached thereto, the "Agreement") to which this Award Notice is attached. Capitalized terms used and not defined in this Award Notice will have the meanings set forth in the Performance Share Agreement and the Plan.

**Participant Name:** **#ParticipantName#**

**Date of Grant:** **#GrantDate#**

**Number of Performance Shares Granted:** **#QuantityGranted#** Performance Shares

| Performance Component (each weighted at 25%) | Threshold (Achievement Percentage of 50%) | Target (Achievement Percentage of 100%) | Maximum (Achievement Percentage of 200%) | Performance Period |
|---|---|---|---|---|
| ***2023 Adjusted EBITDA*** | | | | January 1, 2023 to December 31, 2023 |
| ***2023 FCF/Share*** | | | | January 1, 2023 to December 31, 2023 |
| ***2020 – 2023 NUG CAGR*** | | | | January 1, 2021 to December 31, 2023 |
| ***2023 RevPAR Index (Growth over Prior Year)*** | | | | January 1, 2023 to December 31, 2023 |

**1. Performance Components:**

(a) The extent to which each Performance Component is satisfied and the number of Performance Shares which become vested shall be calculated with respect to each Performance Component in accordance with the table set forth above. All determinations with respect to the Performance Components shall be made by the Committee in its sole discretion and the Performance Components shall not be achieved and the Performance Shares shall not vest until the Committee certifies the extent to which such Performance Components have been met.

(b) The total number of Performance Shares which become vested based on the achievement of the Performance Components shall be equal to (x) the total number of Performance Shares specified above for each applicable Performance Component multiplied by (y) the Achievement Percentage determined pursuant to the table set forth above for the applicable Performance Component and the applicable weighting multiplier, and rounded down to the nearest whole Share.

(c) Any Performance Component measures may at any time be adjusted to exclude the impact of the following events: (i) asset write-downs; (ii) litigation, claims, judgments or settlements; (iii) the effect of changes in tax laws, accounting principles, or other laws or regulatory rules affecting reported results; (iv) any reorganization and restructuring programs; (v) acquisitions or divestitures; (vi) any other specific, unusual or nonrecurring events, or objectively determinable category thereof; (vii) foreign exchange gains and losses or fluctuation in currency exchange rates; (viii) discontinued operations and nonrecurring charges; (ix) a change in the Company's fiscal year; and (x) any other event described in Section 13 of the Plan.

**2. Definitions. For the purposes of this Award Notice:**

(a) "Achievement Percentage" shall be determined pursuant to the table set forth above with respect to the threshold, target, and maximum levels for each Performance Component, or a percentage determined using linear interpolation if actual performance falls between threshold and target, or between target and maximum levels (and rounded to the nearest whole percentage point and, if equally between two percentage points, rounded up). Performance at below threshold level will result in an Achievement Percentage of 0% for that performance component, and performance at or above maximum level will result in an Achievement Percentage of 200% for that performance component.

(b) "Adjusted EBITDA" means the Company's earnings before interest expense, taxes and depreciation and amortization and further adjusted to exclude gains, losses, revenues and expenses in connection with: (i) asset dispositions for both consolidated and unconsolidated investments; (ii) foreign currency transactions; (iii) debt restructurings and retirements; (iv) furniture, fixtures and equipment replacement reserves required under certain lease agreements; (v) reorganization costs, severance, relocation and other expenses; (vi) share-based compensation; (vii) non-cash impairment; (viii) amortization of contract acquisition costs;
(ix) the net effect of reimbursable costs included in other revenues and expenses from managed and franchised properties; and (x) other items.

(c) "FCF/Share" is calculated as (i) net cash provided by (used in) operating activities reported in accordance with U.S. GAAP, less (ii) capital expenditures as disclosed by the Company in reports filed with or furnished to the SEC, less (iii) the value of the cash received for loyalty program advanced point sales ("loyalty point sale") during the year in which cash is received in exchange for pre-sold points, plus (iv) costs and expenses, including tax payments, relating to asset purchases and disposals, plus (v) in any period when loyalty point sale pre-sold points are consumed by the loyalty program partner, the value of the cash that would have been received from the loyalty program partner under the contractual terms of transfers of points without giving effect to the loyalty point sale, less (vi) the impact of other non-recurring cash items; with the sum of (i)-(vi) divided by (vii) the Company's reported

diluted weighted average shares of Common Stock (as defined in the Plan) outstanding for the last calendar year being measured.

(d) "NUG" means the Company's managed and franchised ("M&F") hotel net unit growth, which is calculated as (i) the M&F hotel room count at the end of a period, less (ii) the M&F hotel room count at the beginning of the period, less (iii) the impact of any business or portfolio acquisition or disposition.

(e) "NUG CAGR" means compound annual growth rate at which the M&F hotel portfolio for the final fully completed fiscal year of the Performance Period would have grown relative the 2020 fiscal year, excluding the impact of any business or portfolio acquisition or disposition, assuming a steady growth rate, as calculated at the end of the Performance Period using the following formula:

((2023 M&F Hotel Room Count/2020 M&F Hotel Room Count)(Time Period)) – 1.

where "Time Period" means a fraction, with a numerator of 4 and a denominator equal to the number of full fiscal quarters completed during the Performance Period.

(f) "Performance Component" means the performance criteria applicable to an Award, as set forth on the Award Notice.

(g) "RevPAR" means revenue per available room calculated by dividing hotel room revenue by the total number of room nights available to guests for a given period.

(h) "RevPAR Index" is calculated as the weighted average of the Company's relative share of RevPAR compared to each hotel's competitive set, as defined by STR, Inc. and related institutions, for the Company's comparable hotels, as defined in the Company's reports filed with or furnished to the SEC, as of the period end.

(i) "RevPAR Index Growth" is calculated as RevPAR Index for the final fully completed fiscal year of the Performance Period less the RevPAR Index for the 2022 fiscal year, using the Company's comparable hotels, as defined in the Company's reports filed with or furnished to the SEC, as of the end of the Performance Period.

**PERFORMANCE SHARE UNIT AGREEMENT HILTON 2017 OMNIBUS INCENTIVE PLAN**

This Performance Share Agreement, effective as of the Date of Grant (as defined below), is between Hilton Worldwide Holdings Inc., a Delaware corporation (the "Company"), and the individual listed in the Award Notice as the "Participant." Capitalized terms have the meaning set forth in Section 25, or, if not otherwise defined herein, in the Hilton 2017 Omnibus Incentive Plan (as it may be amended, the "Plan").

**1. Grant and Vesting of Performance Shares.**

(a) The Company grants the Participant on the Date of Grant the number of Performance Shares as provided in the Award Notice, subject to and in accordance with the terms, conditions and restrictions in the Plan, the Award Notice, and this Agreement.

(b) As promptly as practicable (and, in no event more than 2.5 months) following the last day of the Performance Period, the Committee will determine whether the Performance Components have been satisfied (the date of such determination, the "Determination Date"), and, except as provided in Section 3, and to the extent not previously vested or forfeited as provided in this Agreement, any Performance Shares with respect to which the Performance Components have been satisfied will become vested effective as of the last day of the Performance Period. Following the Determination Date (and, in no event more than 2.5 months following the last day of the Performance Period), the Company will deliver to the Participant one Share for each vested Performance Share (as adjusted under the Plan), pursuant to this Section 1, and such vested Performance Share will be cancelled upon delivery of the Share. Any Performance Share which does not become vested effective as of the last day of the Performance Period will be cancelled and forfeited without consideration or any further action by the Participant or the Company. In the event of an equity restructuring, the Committee will adjust any Performance Component to the extent it is affected by such restructuring in order to preserve (without enlarging) the likelihood that such Performance Component will be satisfied. The manner of such adjustment will be determined by the Committee in its sole discretion. For this purpose, "equity restructuring" means an "equity restructuring" as defined in Financial Accounting Standards Board Accounting Standards Codification 718-10 (formerly Statement of Financial Accounting Standards 123R).

(c) The Company will, as soon as reasonably practicable following the applicable vesting date (and in any event within 2.5 months of the vesting date), issue the Share underlying such vested Performance Share to the Participant, free and clear of all restrictions. The Company will pay any costs incurred in connection with issuing the Shares. Notwithstanding anything in this Agreement to the contrary, the Company will have no obligation to issue or transfer the Shares as contemplated by this Agreement unless and until such issuance or transfer complies with all relevant provisions of law and the requirements of any stock exchange on which the Company's shares are listed for trading. For the avoidance of doubt, unless otherwise provided in Section 2 below, the Participant is not entitled to pro-rata vesting of any Shares if the Participant is employed for only a portion of the vesting period, but no longer employed on the respective vesting date.

**2. Termination of Employment.**

(a) Subject to Section 2(b), Section 2(c), or Section 2(d) below, in the event that the Participant's employment with the Company Group terminates for any reason, any unvested Performance Shares will be forfeited and all of the Participant's rights under this Agreement will cease as of the effective date of termination (the "Termination Date") (unless otherwise provided for by the Committee in accordance with the Plan).

(b) In the event the Participant's employment with the Company Group is terminated by the Company Group due to or during the Participant's Disability or due to the Participant's death, a pro-rated number of the Performance Shares will become vested (irrespective of performance) based on the number of days between January 1, 2021 and the Termination Date (inclusive) relative to the number 1,095.

(c) In the event the Participant's employment with the Company Group is terminated as a result of the Participant's Retirement after the date that is six (6) months after the Date of Grant, a pro-rated number of the Performance Shares will remain outstanding and eligible to vest, notwithstanding such termination of employment, based on (and to the extent) the Committee's determination that the Performance Components have been satisfied on the Determination Date, in accordance with the schedule set forth in the Award Notice, so long as no Restrictive Covenant Violation occurs (as determined by the Committee, or its designee, in its sole discretion) prior to the Determination Date, with such pro-ration based on the number of days between January 1, 2021 and the Termination Date (inclusive) relative to the number 1,095. As a pre-condition to the Participant's right to continued vesting following Retirement, the Committee or its designee, may require the Participant to certify in writing prior to the applicable vesting date that no Restrictive Covenant Violation has occurred.

(d) If the Participant's employment with the Company Group terminates for any reason after the last day of the Performance Period and before the Determination Date (other than a termination by the Company Group for Cause or by the Participant while grounds for Cause exist), and no Restrictive Covenant Violation occurs prior to the Determination Date, then all Performance Shares will remain outstanding and eligible to vest based on (and to the extent) the Committee determines that the Performance Components have been satisfied on the Determination Date.

(e) The Participant's rights with respect to the Performance Shares will not be affected by any change in the nature of the Participant's employment so long as the Participant continues to be employed by the Company Group. Whether (and the circumstances under which) employment has terminated and the determination of the Termination Date for the purposes of this Agreement will be determined by the Committee (or, with respect to any Participant who is not a director or Officer, its designee, whose good faith determination will be final, binding and conclusive; provided, that such designee may not make any such determination with respect to the designee's own employment for purposes of the Performance Shares).

**3. Effect of a Change in Control.**

(a) Adjustment to Number and Vesting Terms of Performance Shares. Subject to Section 13 of the Plan, in the event of a Change in Control during the Participant's

employment or while any Performance Shares remain outstanding and eligible to vest, and prior to the completion of the Performance Period, the number of Performance Shares eligible to vest under this Agreement will be determined as of the date of the Change in Control (such resulting award, the "Adjusted Award"), with the number of Performance Shares either (x) determined based on actual performance through the most recently completed fiscal quarter, measured against performance levels using only the number of fiscal quarters completed prior to the date of such Change in Control, or (y) determined by the Committee in its good faith discretion. The Performance Shares outstanding under the Adjusted Award will remain outstanding and eligible to vest on the last day of the Performance Period, subject to the Participant's continued employment through such date (or if the Participant's Retirement in accordance with Section 2(c) occurred prior to the Change in Control, subject to the Participant's continued satisfaction of Section 2(c)), and will thereafter be settled and the respective Shares issued to the Participant in accordance with Section 1.

(b) Certain Terminations Following a Change in Control. Notwithstanding anything herein to the contrary, if the Participant's employment with the Company Group is terminated by the Company Group without Cause, due to or during the Participant's Disability, or due to the Participant's death during the 12-month period immediately following a Change in Control, the Performance Shares subject to the Adjusted Award will become immediately vested as of the Termination Date, and will thereafter be settled and the respective Shares issued to the Participant in accordance with Section 1.

**4. Tax Withholding.** In connection with the settlement of any Performance Shares under Section 1, the Company will withhold a number of Shares in the amount necessary to satisfy applicable U.S. and non-U.S. Federal, state, or local tax or other withholding requirements, if any ("Withholding Taxes") in accordance with Section 15(d) of the Plan (or, if the Participant is subject to Section 16 of the Exchange Act at such time, such amount which would not result in adverse consequences under GAAP), unless otherwise agreed to in writing by the Participant and the Company. If any Withholding Taxes become due prior to the settlement of any Performance Shares, the Committee may accelerate the vesting of a number of Performance Shares equal in value to the Withholding Taxes, the Shares to be issued in settlement of such accelerated Performance Shares will be withheld by the Company, and the number of Performance Shares so accelerated will reduce the number of Performance Shares which would otherwise become vested on the applicable vesting date. The number of Performance Shares or Shares equal to the Withholding Taxes will be determined using the closing price per Share on the New York Stock Exchange (or other principal exchange on which the Shares then trade) on the date of determination, and will be rounded up to the nearest whole Performance Share or Share.

**5. Dividend Equivalents.** With respect to the Performance Shares, the Participant shall be credited with dividend equivalents as and when dividends are paid to the Company's other shareholders. Dividend equivalents shall accumulate and be paid to the Participant in cash (without interest) as and when the Performance Shares from which the dividend equivalents are derived are settled in accordance with Section 1 and the Participant shall not have any right to such dividend equivalents prior to such settlement. Dividend equivalents shall be subject to the same vesting requirements that apply to the Performance Shares from which such dividend equivalents are derived. If the Performance Shares from which the dividend equivalents are derived are forfeited, the Participant shall have no right to any dividend equivalents.

**6. Repayment of Proceeds; Clawback Policy.** The Performance Shares, any dividend equivalent payments, and all Shares received in respect of the Performance Shares and

all proceeds related to the Performance Shares are subject to the clawback and repayment terms set forth in Sections 15(v) and 15(w) of the Plan and the Company's Clawback Policy, as in effect from time to time, to the extent the Participant is a director or Officer. In addition, if any member of the Company Group terminates the Participant's employment for Cause or discovers after Termination that grounds existed for a Termination for Cause at the time thereof, then the Participant will be required, in addition to any other remedy available (on a non-exclusive basis), to pay the Company, within ten (10) business days of the Company's request, the aggregate after- tax proceeds the Participant received in respect of the Performance Shares and any Shares issued in respect thereof. Any reference in this Agreement to grounds existing for a Termination for Cause will be determined without regard to any notice period, cure period, or other procedural delay or event required prior to a finding of, or termination for, Cause.

**7. Adjustments Upon Change in Capitalization.** The terms of this Agreement, including calculations with respect to any Performance Component, the Performance Shares, any dividend equivalent payments accrued pursuant to Section 5 and/or the Shares, will be subject to adjustment in accordance with Section 13 of the Plan. Any Performance Component measures may at any time be adjusted to reflect events defined in Section 12(d) of the Plan (without regard to any limitations referenced therein pursuant to Section 162(m) of the Code), including, but not limited to, reflect changes to tax laws, accounting principles, or other laws or regulatory rules affecting reported results. This paragraph will also apply with respect to any extraordinary dividend or other extraordinary distribution in respect of the Common Stock (whether in the form of cash or other property).

**8. Restrictive Covenants.** The Participant acknowledges and recognizes the highly competitive nature of the businesses of the Company Group, that the Participant will be allowed access to confidential and proprietary information (including but not limited to trade secrets) about those businesses, as well as access to the prospective and actual customers, suppliers, investors, clients and partners involved in those businesses, and the goodwill associated with the Company Group. Participant accordingly agrees to the provisions of Appendix A to this Agreement (the "Restrictive Covenants"). For the avoidance of doubt, the Restrictive Covenants contained in this Agreement are in addition to, and not in lieu of, any other restrictive covenants or similar covenants or agreements between the Participant and any member of the Company Group.

**9. Restrictions on Transfer.** The Participant may not assign, sell or otherwise transfer the Performance Shares or the Participant's right under the Performance Shares to receive Shares, other than in accordance with Section 15(b) of the Plan.

**10. Performance Shares Subject to Plan.** The Agreement and Performance Shares granted under this Agreement are subject to all terms and provisions of the Plan and all such terms and provisions are incorporated into this Agreement. By accepting the Performance Shares, the Participant acknowledges that the Participant has received and read the Plan and prospectus and agrees to be bound by the terms, conditions, and restrictions set forth in the Plan, this Agreement, and the Company's policies, as in effect from time to time, relating to the Plan. In the event of a conflict between any term or provision of the Agreement and a term or provision of the Plan, the terms of the Plan will govern and prevail.

**11. Governing Law; Venue.** This Agreement will be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts made and performed wholly within the State of Delaware, without giving effect to the conflict of laws provisions thereof. For purposes of litigating any dispute that arises under this Agreement, the parties consent to and submit to the exclusive and personal jurisdiction and venue of the State of New York or the State of Delaware, and each of the Participant, the Company, and any transferees who hold Performance Shares pursuant to a valid assignment, hereby submits to the exclusive jurisdiction of such courts for the purpose of any such suit, action, proceeding, or judgment.

**12. No Additional Rights.** By accepting this Agreement and the grant of the Performance Shares contemplated in this Agreement, the Participant expressly acknowledges that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

(b) the grant of Performance Shares is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of Performance Shares, or benefits in lieu of Performance Shares, even if Performance Shares have been granted in the past;

(c) all determinations with respect to future grants of Performance Shares, if any, including the grant date, the number of Shares granted and the applicable vesting terms, will be at the sole discretion of the Company;

(d) the Participant's participation in the Plan is voluntary and not a condition of Participant's employment and the Participant may decline to accept the Performance Shares without adverse consequences to the Participant's continued employment relationship with the Company Group;

(e) the value of the Performance Shares is an extraordinary item that is outside the scope of the Participant's employment contract, if any, and nothing can or must automatically be inferred from such employment contract or its consequences;

(f) grants of Performance Shares, and the income from and value of same, are not part of normal or expected compensation for any purpose and are not to be used for calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, holiday pay, pension or retirement benefits or welfare or similar payments, and the Participant waives any claim on such basis, and for the avoidance of doubt, the

Performance Shares will not constitute an "acquired right" under the applicable law of any jurisdiction;

(g) the future value of the underlying Shares is unknown, indeterminable, and cannot be predicted with certainty;

(h) the Participant will have no rights to compensation or damages related to Performance Share proceeds in consequence of the Termination of the Participant's employment for any reason whatsoever and whether or not in breach of contract;

(i) the grant and the Participant's participation in the Plan shall not create a right to employment or be interpreted as forming an employment relationship with the Company;

(j) neither the Plan nor this Agreement, nor the Participant's receipt of the Performance Shares under the Agreement, will impose any obligation on the Company Group to continue the employment relationship of the Participant and the Company Group may at any time terminate the employment of the Participant, free from any liability or claim under the Plan or this Agreement, except as otherwise expressly provided herein;

(k) the Participant's interest in the Performance Shares will not entitle the Participant to any rights as a stockholder of the Company; and

(l) the Participant will not be deemed to be the holder of, or have any of the rights and privileges of a stockholder of the Company in respect of, the Shares unless and until such Shares have been issued to the Participant in accordance with Section 1.

**13. Section 409A of the Code.**

(a) This Agreement is intended to comply with the provisions of Section 409A of the Code and the regulations promulgated thereunder ("Section 409A"). Without limiting the foregoing, the Committee will have the right to amend the terms and conditions of this Agreement in any respect as may be necessary or appropriate to comply with Section 409A or any regulations promulgated thereunder, including without limitation by delaying the issuance of the Shares contemplated pursuant to this Agreement.

(b) Notwithstanding any other provision of this Agreement to the contrary, if a Participant is a "specified employee" within the meaning of Section 409A and is subject to U.S. federal income tax, no payments in respect of any Performance Share that is "deferred compensation" subject to Section 409A and which would otherwise be payable upon the Participant's "separation from service" (as defined in Section 409A) will be made to such Participant prior to the date that is six (6) months after the date of the Participant's "separation from service" or, if earlier, the Participant's date of death. Following any applicable six (6) month delay, all such delayed payments will be paid in a single lump sum on the earliest date permitted under Section 409A that is also a business day. The Participant is solely responsible and liable for the satisfaction of all taxes and penalties under Section 409A that may be imposed on or in respect of the Participant in connection with this Agreement, and the Company will not be liable to any Participant for any payment made under this Plan that is determined to result in

an additional tax, penalty or interest under Section 409A, nor for reporting in good faith any payment made under this Agreement as an amount includible in gross income under Section 409A. Each payment in a series of payments under this Agreement will be deemed to be a separate payment for purposes of Section 409A.

**14. Electronic Delivery and Acceptance.** This Agreement may be executed electronically and in counterparts. The Company currently delivers documents related to the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line system established and maintained by the Company or a third party designated by the Company.

**15. Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the Performance Shares and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

**16. No Advice Regarding Grant.** The Participant acknowledges and agrees that the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or the Participant's acquisition or sale of the underlying Shares. The Participant should consult with the Participant's own personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

**17. Appendices For Non-U.S. Participants.** Notwithstanding any provisions in this Performance Share Agreement, Participants residing and/or working outside the United States will be subject to the Terms and Conditions for Non-U.S. Participants attached as Appendix B and to any Country-Specific Terms and Conditions for the Participant's country attached as Appendix C. If the Participant relocates from the United States to another country, the Terms and Conditions for Non-U.S. Participants and the applicable Country-Specific Terms and Conditions will apply to the Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Moreover, if the Participant relocates between any of the countries included in the Country-Specific Terms and Conditions, the additional terms and conditions for such country will apply to the Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Terms and Conditions for Non-U.S. Participants and the Country-Specific Terms and Conditions constitute part of this Agreement.

**18. Severability.** Should any provision of this Agreement be held by a court of competent jurisdiction to be unenforceable or invalid for any reason, the remaining provisions of this Agreement will not be affected by such holding and will continue in full force in accordance with their terms.

**19. Waiver.** The Participant acknowledges that a waiver by the Company of breach of any provision of this Agreement will not operate or be construed as a waiver of any other

provision of this Agreement, or of any subsequent breach by the Participant or any other participant in the Plan.

**20. Successors in Interest.** Any successor to the Company will have the benefits of the Company under, and be entitled to enforce, this Agreement. Likewise, the Participant's legal representative will have the benefits of the Participant under, and be entitled to enforce, this Agreement. All obligations imposed upon the Participant and all rights granted to the Company under this Agreement will be final, binding and conclusive upon the Participant's heirs, executors, administrators and successors.

**21. Award Administrator.** The Company may from time to time designate a third party (an "Award Administrator") to assist the Company in the implementation, administration and management of the Plan and any Performance Shares granted thereunder, including by sending award notices on behalf of the Company to Participants, and by facilitating through electronic means acceptance of Performance Share Agreements by Participants.

**22. Book Entry Delivery of Shares.** Whenever reference in this Agreement is made to the issuance or delivery of certificates representing one or more Shares, the Company may elect to issue or deliver such Shares in book entry form in lieu of certificates.

**23. Acceptance and Agreement by the Participant; Forfeiture upon Failure to Accept.** By accepting the Performance Shares (including through electronic means), the Participant agrees to be bound by the terms, conditions, and restrictions set forth in the Plan, this Agreement, and the Company's policies, as in effect from time to time, relating to the Plan. The Participant's rights under the Performance Shares will lapse ninety (90) days from the Date of Grant, and the Performance Shares will be forfeited on such date if the Participant will not have accepted this Agreement by such date. For the avoidance of doubt, the Participant's failure to accept this Agreement will not affect the Participant's continuing obligations under any other agreement between the Company and the Participant.

**24. Definitions.** The following terms have the following meanings for purposes of this Agreement:

(a) "Agreement" means this Performance Share Agreement including (unless the context otherwise requires) the Award Notice, Appendix A, and the appendices for non-U.S. Participants attached hereto as Appendix B and Appendix C.

(b) "Award Notice" means the notice to the Participant.

(c) "Date of Grant" means the "Date of Grant" listed in the Award Notice.

(d) "Officer" means "officer" as defined under Rule 16a-1(f) of the Exchange Act

(e) "Participant" means the "Participant" listed in the Award Notice.

(f) "Performance Components" means the performance components set forth in the Award Notice.

(g) "Performance Period" means the performance period set forth in the Award Notice.

(h) "Performance Shares" means that number of performance-vesting restricted stock units listed in the Award Notice as "Performance Shares Granted" or such number of performance-vesting restricted stock units as adjusted in accordance with Section 7 of the Agreement.

(i) "Restrictive Covenant Violation" means the Participant's breach of the Restrictive Covenants listed on Appendix A or any covenant regarding confidentiality, competitive activity, solicitation of the Company Group's vendors, suppliers, customers, or employees, or any similar provision applicable to or agreed to by the Participant.

(j) "Retirement" means a termination of the Participant's employment with the Company Group for any reason, whether by the Participant or by the Company Group, following the date on which (i) the Participant attained the age of 55 years old, and (ii) the number of completed years of the Participant's continuous employment with the Company Group is at least 10; provided, however, that a termination of the Participant's employment (w) by the Company Group for Cause, (x) by the Company Group, or the Participant, in either case, while grounds for Cause exist, (y) due to the Participant's death, or (z) due to or during the Participant's Disability, in each case, will not constitute a Retirement for the purposes of this Agreement, regardless of whether such termination occurs following the date on which the age and service requirements set forth in clauses (i) and (ii) have been satisfied.

(k) "Shares" means a number of shares of Common Stock equal to the number of Performance Shares.

[*Signatures follow*]

HILTON WORLDWIDE HOLDINGS INC.

By: /s/ Christopher J. Nassetta Christopher J. Nassetta
Chief Executive Officer

By: /s/ Laura Fuentes Laura Fuentes
Executive Vice President and Chief Human Resources Officer

Acknowledged and Agreed
as of the date first written above:

**#Signature#**

Participant Signature

**APPENDIX A**

**Restrictive Covenants**

**1. Non-Competition; Non-Solicitation.**

(a) Participant acknowledges and recognizes the highly competitive nature of the businesses of the Company Group and accordingly agrees as follows:

(i) During the Participant's employment with the Company Group (the "Employment Term") and for a period that ends on the later to occur of (A) the first anniversary of the Termination Date or (B) the last day on which any portion of the Award granted under this Agreement is eligible to vest if Participant ceases to be employed by the Company Group as a result of the Participant's Retirement (such period, the "Restricted Period"), Participant will not, whether on Participant's own behalf or on behalf of or in conjunction with any person, firm, partnership, joint venture, association, corporation or other business organization, entity or enterprise whatsoever ("Person"), directly or indirectly solicit or assist in soliciting away from the Company the business of any then current or prospective client or customer with whom Participant (or his or her direct reports) had personal contact or dealings on behalf of the Company during the one-year period preceding the Termination Date.

(ii) During the Restricted Period, Participant will not directly or indirectly:

(A) engage in the Business providing services in the nature of the services Participant provided to any member of the Company Group at any time in the one year prior to the Termination Date, for a Competitor (as defined below) in the Restricted Area (as defined below);

(B) enter the employ of, or render any services to, a Competitor in the Restricted Area, except where such employment or services do not relate in any manner to the Business;

(C) acquire a financial interest in, or otherwise become actively involved with, a Competitor in the Restricted Area, directly or indirectly, as an individual, partner, shareholder, officer, director, principal, agent, trustee or consultant; or

(D) intentionally and adversely interfere with, or attempt to adversely interfere with, business relationships between the members of the Company Group and any of their clients, customers, suppliers, partners, members or investors.

(iii) Notwithstanding anything to the contrary in this Appendix A, Participant may, directly or indirectly own, solely as an investment, securities of any Person engaged in a Business (including, without limitation, a Competitor) which are publicly traded on a national or regional stock exchange or on the over-the-counter

market if Participant (A) is not a controlling person of, or a member of a group which controls, such person and (B) does not, directly or indirectly, own 2% or more of any class of securities of such Person.

(iv) During the Restricted Period, Participant will not, whether on Participant's own behalf or on behalf of or in conjunction with any Person or entity, directly or indirectly solicit or encourage any employee of the Company Group to leave the employment of the Company Group or hire any employee who was employed by the Company Group as of the Termination Date, provided that this prohibition does not apply to (i) administrative personnel employed by the Company or (ii) any Company employee who is hired away from the Company as a result of responding to a generic job posting on a website or in a newspaper or periodical of general circulation, without any involvement or encouragement by Participant.

(v) During the Restricted Period, the Participant will not, whether on the Participant's own behalf or on behalf of or in conjunction with any Person, directly and intentionally encourage any consultant of the Company to cease working with the Company.

(vi) For purposes of this Agreement:

(A) "Business" means the business of owning, operating, managing and/or franchising hotel and lodging properties.

(B) "Competitor" means any Person engaged in the Business, including, but not limited to, Accor Group, AirBnB Inc., Best Western International, Carlson Hospitality Worldwide, Choice Hotels International, G6 Hospitality LLC, Host Hotels & Resorts, Inc., Hyatt Hotels Corporation, InterContinental Hotels Group Plc, LQ Management LLC, Marriott International, Inc., Wyndham Hotels & Resorts, Inc. and Wynn Resorts, Limited.

(C) "Restricted Area" means the United States and any country in which the Company is engaged in the Business or where the Participant knows or should know the Company has taken steps to engage in the Business.

(b) It is expressly understood and agreed that although Participant and the Company consider the restrictions contained in this Section 1 to be reasonable, if a judicial determination is made by a court of competent jurisdiction that the time or territory or any other restriction contained in this Appendix A is an unenforceable restriction against Participant, the provisions of this Appendix A will not be rendered void but will be deemed amended to apply as to such maximum time and territory and to such maximum extent as such court may judicially determine or indicate to be enforceable. Alternatively, if any court of competent jurisdiction finds that any restriction contained in this Appendix A is unenforceable, and such restriction cannot be amended so as to make it enforceable, such finding will not affect the enforceability of any of the other restrictions contained herein.

(c) The period of time during which the provisions of this Section 1 will be in effect will be extended by the length of time during which Participant is in breach of the terms

hereof as determined by any court of competent jurisdiction on the Company's application for injunctive relief.

(d) Notwithstanding the foregoing, if Participant's principal place of employment on the Date of Grant is located in California or any other jurisdiction where any provision of this Section 1 is prohibited by applicable law, then the provisions of this Section 1 will not apply following the Termination Date to the extent any such provision is prohibited by applicable law.

**2. Confidentiality; Non-Disparagement; Intellectual Property; Protected Rights.**

(a) Confidentiality.

(i) Participant will not at any time (whether during or after the Employment Term) (x) retain or use for the benefit, purposes or account of Participant or any other Person; or (y) disclose, divulge, reveal, communicate, share, transfer or provide access to any Person outside the Company Group (other than its professional advisers who are bound by confidentiality obligations or otherwise in performance of Participant's duties during the Employment Term and pursuant to customary industry practice), any non- public, proprietary or confidential information (including, without limitation, trade secrets, know-how, research and development, software, databases, inventions, processes, formulae, technology, designs and other intellectual property, information concerning finances, investments, profits, pricing, costs, products, services, vendors, customers, clients, partners, investors, personnel, compensation, recruiting, training, advertising, sales, marketing, promotions, government and regulatory activities and approvals) concerning the past, current or future business, activities and operations of any member of the Company Group and/or any third party that has disclosed or provided any of same to any member of the Company Group on a confidential basis ("Confidential Information") without the prior written authorization of the Board or its designee.

(ii) "Confidential Information" does not include any information that is (a) generally known to the industry or the public other than as a result of Participant's breach of this covenant; (b) made legitimately available to Participant by a third party without breach of any confidentiality obligation of which Participant has knowledge; or (c) required by law to be disclosed; provided that, unless otherwise provided under applicable law, with respect to subsection (c) Participant is required to give prompt written notice to the Company of such requirement, disclose no more information than is so required, and reasonably cooperate with any attempts by the Company to obtain a protective order or similar treatment.

(iii) Upon termination of Participant's employment with the Company Group for any reason, Participant agrees to (x) cease and not thereafter commence use of any Confidential Information or intellectual property (including without limitation, any patent, invention, copyright, trade secret, trademark, trade name, logo, domain name or other source indicator) owned or used by any member of the Company Group; and (y) immediately destroy, delete, or return to the Company, at the Company's option, all originals and copies in any form or medium (including memoranda, books, papers, plans,

computer files, letters and other data) in Participant's possession or control (including any of the foregoing stored or located in Participant's office, home, laptop or other computer, whether or not Company Group property) that contain Confidential Information, except that Participant may retain only those portions of any personal notes, notebooks and diaries that do not contain any Confidential Information.

(b) Non-Disparagement. During the Employment Term and at all times thereafter, the Participant will not directly, or through any other Person, make any public or private statements that are disparaging of the Company, its affiliates or subsidiaries, or their respective businesses or employees, officers, directors, or stockholders, or any product or service offered by any member of the Company Group; provided, however, that nothing contained in this Section 2(b) precludes Participant from providing truthful testimony in any legal proceeding, or making any truthful statement (i) to any governmental agency in accordance with Section 2(d) hereof; (ii) as required or permitted by applicable law or regulation; or (iii) as required by court order or other legal process.

(c) Intellectual Property.

(i) If Participant has created, invented, designed, developed, contributed to or improved any works of authorship, inventions, intellectual property, materials, documents or other work product (including without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content, or audiovisual materials) ("Works"), either alone or with third parties, prior to the commencement of the Employment Term, that are relevant to or implicated by such employment ("Prior Works"), Participant hereby grants the Company a perpetual, non- exclusive, royalty-free, worldwide, assignable, sublicensable license under all rights and intellectual property rights (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) therein for all purposes in connection with the Company Group's current and future business.

(ii) If Participant creates, invents, designs, develops, contributes to or improves any Works, either alone or with third parties, at any time during the Employment Term and within the scope of such employment and with the use of any Company Group resources ("Company Works"), Participant agrees to promptly and fully disclose such Company Works to the Company and hereby irrevocably assigns, transfers and conveys, to the maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) to the Company to the extent ownership of any such rights does not vest originally in the Company.

(iii) Participant agrees to take all reasonably requested actions and execute all reasonably requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Company in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the Company's rights in the Prior Works and Company Works. If the Company is unable for any other reason, after reasonable attempt, to secure Participant's signature on any document for this purpose,

then Participant hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Participant's agent and attorney in fact, to act for and in Participant's behalf and stead to execute any documents and to do all other lawfully permitted acts required in connection with the foregoing.

(iv) Participant agrees not to improperly use for the benefit of, bring to any premises of, divulge, disclose, communicate, reveal, transfer or provide access to, or share with any member of the Company Group any confidential, proprietary or non-public information or intellectual property relating to a former employer or other third party without the prior written permission of such third party. Participant agrees to comply with all relevant policies and guidelines of the Company Group that are from time to time previously disclosed to Participant, including regarding the protection of Confidential Information and intellectual property and potential conflicts of interest. Participant acknowledges that any member of the Company Group may amend any such policies and guidelines from time to time, and that Participant remains at all times bound by their most current version from time to time previously disclosed to Participant.

(d) Protected Rights. Nothing contained in this Agreement limits (i) Participant's ability to disclose any information to governmental agencies or commissions as may be required by law, or (ii) Participant's right to communicate, cooperate or file a complaint with any U.S. federal, state or local governmental or law enforcement branch, agency or entity (collectively, a "Governmental Entity") with respect to possible violations of any U.S. federal, state or local law or regulation, or otherwise make disclosures to any Governmental Entity, in each case, that are protected under the whistleblower provisions of any such law or regulation, provided that in each case such communications and disclosures are consistent with applicable law, or (iii) Participant's right to receive an award from a Governmental Entity for information provided under any whistleblower program, without notice to the Company. This Agreement does not limit Participant's right to seek and obtain a whistleblower award for providing information relating to a possible securities law violation to the Securities and Exchange Commission. The Participant shall not be held criminally or civilly liable under any U.S. federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a U.S. federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If the Participant files a lawsuit for retaliation by an employer for reporting a suspected violation of law the Participant may disclose the trade secret to the attorney of the Participant and use the trade secret information in the court proceeding, if the Participant files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order. The Participant is not be required to give prior notice to (or get prior authorization from) the Company regarding any such communication or disclosure. Except as otherwise provided in this paragraph or under applicable law, under no circumstance is the Participant authorized to disclose any information covered by the Company's or any other member of the Company Group's attorney-client privilege or attorney work product or

the Company's or any other member of the Company Group's trade secrets without the prior written consent of the Company.

(e) Injunctive Relief; Other Remedies for Breach. The Participant acknowledges and agrees that a violation of any of the terms of this Appendix A will cause the Company irreparable injury for which adequate remedy at law is not available. Accordingly, it is agreed that the Company may seek an injunction, restraining order or other equitable relief to prevent breaches of the provisions of this Appendix A and to enforce specifically the terms and provisions hereof in any court of competent jurisdiction in the United States or any state thereof, in addition to any other remedy to which it may be entitled at law or equity. Additionally, in the event the Participant breaches the terms of this Appendix A, the Participant shall be deemed to have engaged in Detrimental Activity (as defined in the Plan) and the provisions set forth in Section 15(w) of the Plan shall apply.

The provisions of Section 2 hereof will survive the termination of Participant's employment for any reason.

**APPENDIX B**

**HILTON 2017 OMNIBUS INCENTIVE PLAN**
**PERFORMANCE SHARE UNIT AGREEMENT**

**TERMS AND CONDITIONS FOR NON-U.S. PARTICIPANTS**

Capitalized terms used but not otherwise defined herein shall have the meaning given to such terms in the Plan and the Performance Share Agreement. For the avoidance of doubt, all provisions of the Performance Share Agreement and the Award Notice apply to Non-U.S. Participants except to the extent supplemented or modified by this Appendix B or Appendix C.

**1. Responsibility for Taxes. This provision supplements Section 4 of the Performance Share Unit Agreement:**

(a) The Participant acknowledges that, regardless of any action taken by the Company or, if different, the Participant's employer (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally or deemed legally applicable to the Participant ("Tax-Related Items") is and remains the Participant's responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance Shares, including, but not limited to, the grant, vesting or settlement of the Performance Shares, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends and/or any dividend equivalents; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Performance Shares to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if the Participant is subject to Tax-Related Items in more than one jurisdiction, the Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant taxable or tax withholding event, as applicable, the Participant agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Participant authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by one or a combination of the following:

(i) withholding from the Participant's wages, salary, or other cash compensation payable to the Participant by the Company, the Employer, or any other member of the Company Group;

(ii) Withholding from any cash payment made in settlement of the Performance Shares or dividend equivalents;

(iii) withholding from proceeds of the sale of Shares acquired upon settlement of the Performance Shares either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant's behalf pursuant to this authorization without further consent); or

(iv) withholding in Shares to be issued upon settlement of the Performance Shares;

provided, however, that if the Participant is subject to Section 16 of the Exchange Act, then the Company will withhold in Shares upon the relevant taxable or tax withholding event, as applicable, unless the use of such withholding method is problematic under applicable law or has materially adverse accounting consequences, in which case, the obligation for Tax-Related Items may be satisfied by one or a combination of methods (i), (ii) and (iii) above.

(c) The Company may withhold or account for Tax-Related Items by considering statutory withholding amounts or other applicable withholding rates, including maximum rates applicable in the Participant's jurisdiction(s). In the event of over-withholding the Participant may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Common Stock) from the Company or the Employer; otherwise, the Participant may be able to seek a refund from the local tax authorities. In the event of under-withholding, the Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer. If the withholding obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the vested Performance Shares, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items.

(d) Finally, the Participant agrees to pay to the Company or the Employer, any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, or to make any cash payment upon settlement of the Performance Shares if the Participant fails to comply with the Participant's obligations in connection with the Tax-Related Items.

(e) Notwithstanding anything to the contrary in the Plan or in Section 13 of the Performance Share Agreement, if the Company is required by applicable law to use a particular definition of fair market value for purposes of calculating the taxable income for the Participant, the Company shall have the discretion to calculate any Shares to be withheld to cover any withholding obligation for Tax-Related Items by using either the price used to calculate the taxable income under applicable law or by using the closing price per Share on the New York Stock Exchange (or other principal exchange on which the Shares then trade) on the trading day immediately prior to the date of delivery of the Shares.

**2. Nature of Grant. This provision supplements Section12 of the Performance Share Unit Agreement:**

By accepting the grant of the Performance Shares, the Participant acknowledges, understands and agrees that:

(a) the Performance Share grant and the Participant's participation in the Plan shall not create a right to employment and shall not be interpreted as forming or amending an employment contract with any member of the Company Group;

(b) the Performance Shares and the Shares subject to the Performance Shares, and the income from and value of same, are not intended to replace any pension rights or compensation;

(c) unless otherwise agreed with the Company, the Performance Shares and the Shares subject to the Performance Shares, and the income from and value of same, are not granted as consideration for, or in connection with, the service the Participant may provide as a director of any member of the Company Group.

(d) for purposes of the Performance Shares, the Termination Date shall be the date the Participant is no longer actively providing services to any member of the Company Group (regardless of the reason for such termination and whether or not later to be found invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any), and such date will not be extended by any notice period (*e.g.*, the Participant's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under applicable laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any); the Committee shall have exclusive discretion to determine when the Participant is no longer actively providing services for purposes of the Performance Shares (including whether the Participant may still be considered to be providing services while on a leave of absence);

(e) unless otherwise provided in the Plan or by the Company in its discretion, the Performance Shares and the benefits evidenced by this Agreement do not create any entitlement to have the Performance Shares or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Common Stock; and

(f) no member of the Company Group shall be liable for any foreign exchange rate fluctuation between the Participant's local currency and the United States Dollar that may affect the value of the Performance Shares or of any amounts due to the Participant pursuant to the settlement of the Performance Shares or the subsequent sale of any Shares acquired upon settlement.

**3. Insider Trading Restrictions/Market Abuse Laws.** The Participant acknowledges that, depending on his or her country, or the broker's country, or the country in which the Shares are listed, the Participant may be subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions, which may affect his or her ability to, directly or indirectly, accept, acquire, sell or attempt to sell or otherwise dispose of Shares, rights to Shares (e.g., Performance Shares), or rights linked to the value of Shares during such times as the Participant is considered to have "inside information" regarding the Company (as defined by the laws and/or regulations in the applicable jurisdictions or the Participant's country). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Participant places before possessing the inside information. Furthermore, the Participant may be prohibited from (i) disclosing the inside information to any third party, including fellow employees (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them to otherwise buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant is responsible for ensuring compliance with any applicable restrictions and should consult his or her personal legal advisor on this matter.

**4. Foreign Asset/Account Reporting; Exchange Controls.** The Participant's country may have certain foreign asset and/or account reporting requirements and/or exchange controls that may affect the Participant's ability to acquire or hold Shares under the Plan or cash received from participating in the Plan (including from any dividends received or sale proceeds arising from the sale of Shares) in a brokerage or bank account outside the Participant's country. The Participant may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country. The Participant also may be required to repatriate sale proceeds or other cash received as a result of the Participant's participation in the Plan to his or her country through a designated bank or broker and/or within a certain time after receipt. The Participant acknowledges that it is his or her responsibility to be compliant with such regulations, and the Participant is advised to consult his or her personal legal advisor for any details.

**5. Termination of Employment.** This provision supplements Section 2(c) of the Performance Share Unit Agreement:

Notwithstanding any provision of the Agreement, if the Company receives a legal opinion that there has been a legal judgment and/or legal development in the Participant's jurisdiction that likely would result in the favorable treatment that applies to the Performance Shares when the Participant terminates employment as a result of the Participant's Retirement being deemed unlawful and/or discriminatory, the provisions of Section 2(c) regarding the treatment of the Performance Shares when the Participant terminates employment as a result of the Participant's Retirement shall not be applicable to the Participant and the remaining provisions of this Section 2 shall govern.

**6. Compliance with Law.** Notwithstanding any provision of the Plan or this Agreement, unless there is an exemption from any registration, qualification or other legal requirement applicable to the Shares, the Company shall not be required to deliver any Shares issuable upon settlement of the Performance Shares prior to the completion of any registration or

qualification of the Shares under any U.S. or non-U.S. federal, state or local securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission ("SEC") or any other governmental regulatory body, or prior to obtaining any approval or other clearance from any U.S. or non-U.S. federal, state or local governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Participant understands that the Company is under no obligation to register or qualify the Shares with the SEC or any state or non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, the Participant agrees that the Company shall have unilateral authority to amend the Agreement without the Participant's consent, to the extent necessary to comply with securities or other laws applicable to the issuance of Shares.

**7. Language.** By accepting the Agreement, the Participant acknowledges and represents that the Participant is sufficiently proficient in the English language, or has consulted with an advisor who is sufficiently proficient in English, so as to allow the Participant to understand the terms of the Agreement and any other documents related to the Plan. If the Participant has received a copy of this Agreement (or the Plan or any other document related hereto or thereto) translated into a language other than English, such translated copy is qualified in its entirety by reference to the English version of the Plan, and in the event of any conflict the English version will govern.

**APPENDIX C**

**HILTON 2017 OMNIBUS INCENTIVE PLAN**
**PERFORMANCE SHARE UNIT AGREEMENT**

**COUNTRY-SPECIFIC TERMS AND CONDITIONS**

Capitalized terms used but not otherwise defined herein shall have the meaning given to such terms in the Plan, the Performance Share Agreement and the Terms and Conditions for Non-U.S. Participants.

***Terms and Conditions***

This Appendix C includes additional terms and conditions that govern the Performance Shares if the Participant resides and/or works in one of the countries listed below. If the Participant is a citizen or resident of a country (or is considered as such for local law purposes) other than the one in which the Participant is currently residing and/or working or if the Participant moves to another country after receiving the grant of the Performance Shares, the Company will, in its discretion, determine the extent to which the terms and conditions herein will be applicable to the Participant.

***Notifications***

This Appendix C also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of February 2021. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Participant not rely on the information in this Appendix C as the only source of information relating to the consequences of the Participant's participation in the Plan because the information may be out of date at the time that the Performance Shares vest or the Participant sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Participant's particular situation and the Company is not in a position to assure the Participant of a particular result. Accordingly, the Participant should seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to the Participant's situation.

If the Participant is a citizen or resident of a country other than the one in which the Participant is currently residing and/or working (or if the Participant is considered as such for local law purposes) or if the Participant moves to another country after receiving the grant of the Performance Shares, the information contained herein may not be applicable to the Participant in the same manner.

**DATA PRIVACY PROVISIONS FOR PARTICIPANTS**
**IN ALL COUNTRIES OUTSIDE THE U.S.**

Data Privacy Notice for Participants in the European Union / European Economic Area / Switzerland / United Kingdom ("EEA+")

Pursuant to applicable data protection laws, the Participant is hereby notified that the Company collects, processes, uses and transfers certain personally-identifiable information about the Participant for the exclusive purpose of granting RSUs and implementing, administering and managing the Participant's participation in the Plan. Specifics of the data processing are described below.

**Controller and Representative in the United Kingdom and European Union**. Unless stated otherwise below, the Company is the controller responsible for the processing of the Participant's Personal Data (as defined below) in connection with the Plan.

The Company's representative in the United Kingdom is:

Hilton UK Hotels Ltd.
Hilton Legal Department
Maple Court, Central Park, Reeds Crescent
Watford, Hertfordshire WD24 4QQ
United Kingdom
Via email: DataProtectionOffice@hilton.com

The Company's representative in the European Union is:

Hilton International Nederland BV
Amsterdam Hilton
Apollolaan 138
1077 BG
Amsterdam
Netherlands
Via email: DataProtectionOffice@hilton.com

**Purposes and Legal Bases of Processing**. The Company processes the Personal Data (as defined below) for the purpose of performing its contractual obligations under the Performance Share Agreement, granting Performance Shares, implementing, administering and managing the Participant's participation in the Plan and facilitating compliance with applicable law. The legal basis for the processing of the Personal Data (as defined below) by the Company and the thirdparty service providers described below is the necessity of the data processing for the Company to perform its contractual obligations under the Performance Share Agreement and for the Company's legitimate business interests of managing the Plan and generally administering the Performance Shares.

**Personal Data Subject to Processing**. The Company collects, processes and uses the following types of personal data about the Participant: The Participant's name, home address, email address, date of birth, social insurance, passport number or other identification number, any shares of stock or directorships held in the Company, details of all Performance Shares or any other entitlement to Shares awarded, canceled, settled, vested, unvested or outstanding in the

Participant's favor, which the Company receives from the Participant or the Employer ("Personal Data").

**Stock Plan Administration Service Providers**. The Company transfers Personal Data to Fidelity Stock Plan Services and certain of its affiliated companies (collectively, "Fidelity"), an independent stock plan administrator with operations, relevant to the Company, in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select different service providers and may share Personal Data with such service providers. The Company's stock plan administrators will open an account for the Participant to receive and trade Shares. The Participant will be asked to agree on separate terms and data processing practices with the service provider, which is a condition of the Participant's ability to participate in the Plan. The Participant's Personal Data will only be accessible by those individuals requiring access to it for purposes of implementing, administering and operating the Participant's participation in the Plan. The Participant understands that the Participant may request a list with the names and addresses of any potential recipients of Personal Data by contacting Hilton's Data Protection Officer as follows:

Hilton Office of the Data Protection Officer
7930 Jones Branch Drive
McLean, VA 22102 USA
Via email: DataProtectionOffice@hilton.com

**Other Recipients.** The Company may further transfer Personal Data to other third party service providers, if necessary to ensure compliance with applicable tax, exchange control, securities and labor laws. Such third party service providers may include the Company's outside legal counsel as well as the Company's auditor. Wherever possible, the Company will anonymize data, but the Participant understands that his or her Personal Data may need to be transferred to such providers to ensure compliance with applicable law and/or tax requirements.

**International Data Transfers**. The Company and its service providers, including, without limitation, Fidelity, operate, relevant to the Company, in the United States, which means that it will be necessary for Personal Data to be transferred to, and processed in, the United States. The Participant understands and acknowledges that the United States is not subject to an unlimited adequacy finding by the European Commission and that the Participant's Personal Data may not have an equivalent level of protection as compared to the Participant's country of residence. The legal basis for the transfer of the Personal Data to the Company and the thirdparty service providers described above is the necessity of the data transfer for the Company to perform its contractual obligations under the Agreement.

**Data Retention**. The Company will use the Personal Data only as long as necessary to implement, administer and manage the Participant's participation in the Plan, or as required to comply with legal or regulatory obligations, including tax, exchange control, labor and securities laws. This means that the Participant's Personal Data may be retained even after the Termination Date.

**Data Subject Rights**. To the extent provided by law, the Participant has the right to: (i) request access to and obtain a copy of the Personal Data; (ii) request rectification (or correction) of Personal Data that is inaccurate; (iii) request erasure (or deletion) of Personal Data that is no longer necessary to fulfill the purposes for which it was collected, or does not need to be retained by the Company for other legitimate purposes; (iv) restrict or object to the processing of

the Personal Data; and (v) if applicable, request the Participant's Personal Data be ported (transferred) to another company.

Subject to the applicable data protection laws, application of the above rights may vary depending on the type of data involved, and the Company's particular basis for processing the Personal Data.

To receive clarification or make a request to exercise one of the above rights, the Participant can contact Hilton's Data Protection Officer as follows:

Hilton Office of the Data Protection Officer
7930 Jones Branch Drive
McLean, VA 22102 USA
Via email: DataProtectionOffice@hilton.com

**Contractual Requirement**. The Participant's provision of Personal Data, its processing and transfer as described above is a contractual requirement and a condition to the Participant's ability to participate in the Plan. The Participant understands that, as a consequence of the Participant's refusing to provide Personal Data, the Company may not be able to allow the Participant to participate in the Plan, grant Performance Shares to the Participant or administer or maintain such Performance Shares. However, the Participant's participation in the Plan and his or her acceptance of this Performance Share Agreement are purely voluntary. While the Participant will not receive Performance Shares if he or she decides against participating in the Plan or providing Personal Data as described above, the Participant's career and salary will not be affected in any way. For more information on the consequences of the refusal to provide Personal Data, the Participant may contact Hilton's Legal Privacy Office as follows:

Hilton Legal Privacy Office
7930 Jones Branch Drive
McLean, VA 22102, USA
Via email: Privacy@hilton.com

**How to Contact Us.** For copies of additional privacy documents mentioned in this Agreement, or if the Participant has privacy concerns or questions related to this Agreement, the Participant may contact the Company at Hilton Legal Privacy Office, 7930 Jones Branch Drive, McLean, VA 22102, USA.

***Data Privacy Consent for Participants outside the EEA+ and the U.S.***

***The Participant acknowledges and agrees to the collection, use and transfer, in electronic or other form, of the Participant's personal data as described in the Agreement and any other Performance Share grant materials by and among, as applicable, the Company and the Employer, for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan. The Participant understands that the Company may hold certain personal information about the Participant, including, but not limited to, the Participant's name, home address, e-mail address, and telephone number, work location and phone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, hire date, any shares of stock or directorships held in the Company, details of all awards or any other entitlement to shares awarded, cancelled, exercised, vested,***

***unvested or outstanding in the Participant's favor, for the purpose of implementing, administering and managing the Participant's participation in the Plan ("Data").***

***The Participant understands that Data will be transferred to Fidelity Stock Plan Services and certain of its affiliated companies ("Fidelity") which is assisting the Company in the implementation, administration and management of the Plan (or any other third party service provider which may assist the Company in the future), that these recipients may be located in the Participant's country or elsewhere, and that the recipient's country may have different data privacy laws and protections than the Participant's country. The Participant understands that the Participant may request a list with the names and addresses of any potential recipients of the Data by contacting the Participant's local human resources representative. The Participant authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Participant's participation in the Plan. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's participation in the Plan. The Participant understands that the Participant may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Participant's local human resources representative.***

***The Participant understands that the Participant is providing the consents herein on a purely voluntary basis. If the Participant does not consent, or if the Participant later seeks to revoke the Participant's consent, the Participant's employment status or service with the Employer will not be affected; the only consequence of the Participant's refusing or withdrawing the Participant's consent is that the Company would not be able to grant Performance Shares or other equity awards to the Participant or administer or maintain such awards. Therefore, the Participant understands that refusing or withdrawing the Participant's consent may affect the Participant's ability to participate in the Plan. For more information on the consequences of Participant's refusal to consent or withdrawal of consent, the Participant understands that the Participant may contact the Participant's local human resources representative.***

***Finally, the Participant understands that the Company may rely on a different basis for the processing or transfer of Data in the future and/or request that the Participant provide another data privacy consent. If applicable, the Participant agrees that upon request of the Company or the Employer, the Participant will provide an executed acknowledgement or data privacy consent form (or any other agreements or consents) that the Company and/or the Employer may deem necessary to obtain from the Participant for the purpose of administering the Participant's participation in the Plan in compliance with the data privacy laws in the Participant's country, either now or in the future. The Participant understands and agrees that the Participant will not be able to participate in the Plan if the Participant fails to provide any such consent or agreement requested by the Company and/or the Employer.***

## GENERAL

***Terms and Conditions***

**Settlement of Performance Shares**. If, prior to settlement of the Performance Shares, the Participant transfers employment and/or residence to a country outside the U.S. not covered in this Appendix C to a country in which Performance Shares are settled in cash, the Performance Shares shall continue to be settled in Shares, unless the Company determines, in its discretion., that the Performance Shares shall be settled in cash for legal or administrative reasons.

## CHINA

***Terms and Conditions***

*The following provisions apply if the Participant is subject to the exchange control restrictions and regulations in China, including the requirements imposed by the State Administration of Foreign Exchange ("SAFE"), as determined by the Company in its sole discretion:*

**SAFE Approval Requirement**. Notwithstanding any provision in the Agreement, the Performance Shares shall not vest and Shares will not be issued until all necessary exchange control and other approvals from SAFE or its local counterpart have been received by the Company or one of the members of the Company Group in China under applicable exchange control rules with respect to the Plan and the Performance Shares granted thereunder. Further, the Company is under no obligation to vest the Performance Shares and/or issue Shares if the Company's SAFE approval becomes invalid or ceases to be in effect by the time the Participant vests in the Performance Shares.

**Termination of Employment**. Notwithstanding Section 2(c) of the Restricted Stock Unit Agreement, if the Participant's employment terminates as a result of the Participant's Retirement after the date that is six months after the Date of Grant, any unvested Performance Shares will continue to vest for a period of (90) days after the Termination Date. Any Performance Shares that are unvested as of the end of the 90-day period will be forfeited. Further, any Shares held by the Participant at the time of termination of employment must be sold by the Participant within ninety (90) days after the Termination Date. If not sold by the Participant within such timeframe, the Company will force the sale of the Shares as described in the Restriction on Sale of Shares section below.

**Restriction on Sale of Shares**. Due to local regulatory requirements, the Company reserves the right to force the sale of any Shares issued upon settlement of the Performance Shares. The sale may occur (i) immediately upon issuance, (ii) following the Participant's termination of employment, (iii) following the Participant's transfer of employment to the Company, a member of the Company Group outside of China, or (iv) within any other timeframe as the Company determines to be necessary or advisable to comply with local regulatory requirements. The Participant is required to maintain any Shares acquired under the Plan in an account at a broker designated by the Company ("Designated Account") and any Shares deposited into the Designated Account cannot be transferred out of the Designated Account unless and until they are sold.

In order to facilitate the foregoing, the Company is authorized to instruct its designated broker to assist with the sale of the Shares (on the Participant's behalf pursuant to this authorization without further consent) and the Participant expressly authorizes the Company's designated broker to complete the sale of such Shares. The Participant acknowledges that the

Company's designated broker is under no obligation to arrange for the sale of the Shares at any particular price. Upon the sale of the Shares, the Company will pay to the Participant the cash proceeds from the sale, less any brokerage fees or commissions and subject to any obligation to satisfy Tax-Related Items. If the Shares acquired under the Plan are sold, the repatriation requirements described below shall apply.

Employees transferring from outside of China to a member of the Company Group in China and employees transferring from a member of the Company Group in China to the Company or a member of the Company Group outside of China may become or remain subject to the requirements set forth in this Appendix C, as determined by the Company in its sole discretion.

**Dividend Reinvestment.** In the event that the Company, in its discretion, declares payment of any cash dividends on Common Stock, the Participant acknowledges and agrees that the Company and/or the designated broker may use such cash dividends to automatically purchase additional Shares to be issued into the Participant's brokerage account. Any additional Shares acquired pursuant to the preceding sentence are subject to the same exchange control requirements as other Shares the Participant may hold. Any cash dividends not used to purchase Shares or pay associated costs (*e.g.*, broker fees) will be immediately repatriated to China pursuant to the procedures set by the Company in compliance with SAFE requirements.

**Exchange Control Requirement**. Pursuant to exchange control requirements in China, the Participant will be required to immediately repatriate to China any cash proceeds from the sale of the Shares acquired under the Plan or the receipt of any dividends paid on such Shares (unless immediately reinvested, as described above). The Participant understands that, under applicable laws, such repatriation of the cash proceeds may need to be effectuated through a special exchange control account established by the Company or a member of the Company Group in China, and the Participant hereby consents and agrees that any proceeds from the sale of Shares or the receipt of dividends may be transferred to such special account prior to being delivered to the Participant. The Participant also understands that the Company will deliver the proceeds to the Participant as soon as possible, but that there may be delays in distributing the funds to the Participant due to exchange control requirements. The Participant understands that the proceeds may be paid to the Participant in U.S. dollars or in local currency, at the Company's discretion. If the proceeds are paid in U.S. dollars, the Participant will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid in local currency, the Company is under no obligation to secure any particular exchange conversion rate and the Company may face delays in converting the proceeds to local currency due to exchange control restrictions.

Finally, the Participant agrees to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

***Notifications***

**Exchange Control Information.** Chinese residents may be required to report to SAFE all details of their foreign financial assets and liabilities (including Shares acquired under the Plan), as well as details of any economic transactions conducted with non-Chinese residents, either directly or through financial institutions.

## INDIA

*Notifications*

**Exchange Control Information.** The Participant understands that the Participant must repatriate any proceeds from the sale of Shares acquired under the Plan to India within such period of time as prescribed under applicable Indian exchange control laws, as may be amended from time to time. The Participant will receive a foreign inward remittance certificate ("FIRC") from the bank where the Participant deposits the foreign currency. The Participant should maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Employer requests proof of repatriation. It is the Participant's responsibility to comply with applicable exchange control laws in India.

**Foreign Asset/Account Reporting Information.** The Participant is required to declare any foreign bank accounts for which the Participant has signing authority in the Participant's annual tax return. It is the Participant's responsibility to comply with applicable tax laws in India. The Participant should consult with the Participant's personal tax advisor to ensure that the Participant is properly reporting the Participant's foreign assets and bank accounts.

**SINGAPORE**

*Terms and Conditions*

**Restriction on Sale of Shares**. The Performance Shares are subject to section 257 of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA") and the Participant should not make any subsequent sale in Singapore, or any offer of such subsequent sale of the Shares underlying the Performance Shares, unless such sale or offer in Singapore is made (1) after 6 months of the grant of the Performance Shares to the Participant; or (2) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

*Notifications*

**Securities Law Information.** The offer of the Plan, the grant of the Performance Shares, and the value of underlying Shares at vesting are being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the SFA. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore.

**Director Notification Obligation**. Directors, associate directors or shadow directors of a Singapore member of the Company Group are subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify such entity in writing within two business days of any of the following events: (i) the acquisition or disposal of an interest (e.g., Performance Shares granted under the Plan or Shares) in the Company or any member of the Company Group, (ii) any change in previously-disclosed interests (e.g., sale of Shares), of (iii) becoming a director, associate director or shadow director of a member of the Company Group in Singapore, if the individual holds such an interest at that time.

**Spain**

*Terms and Conditions*

**No Entitlement for Claims or Compensation.** This provision supplements Section 12 of the Performance Share Unit Agreement and Section 2 of the Terms and Conditions for Non-U.S. Participants:

By accepting the Performance Shares, the Participant consents to participation in the Plan and acknowledges that the Participant has received a copy of the Plan document.

The Participant understands that the Company has unilaterally, gratuitously and in its sole discretion decided to make grants of Performance Shares under the Plan to individuals who may be employees of the Company or other members of the Company Group throughout the world. The decision is limited and entered into based upon the express assumption and condition that any Performance Shares will not economically or otherwise bind the Company or any other member of the Company Group, including the Employer, on an ongoing basis, other than as expressly set forth in the Agreement. Consequently, the Participant understands that the Performance Shares are given on the assumption and condition that the Performance Shares shall not become part of any employment contract (whether with the Company or any other member of the Company Group, including the Employer) and shall not be considered a mandatory benefit, salary for any purpose (including severance compensation) or any other right whatsoever. Furthermore, the Participant understands and freely accepts that there is no guarantee that any benefit whatsoever shall arise from the grant of the Performance Shares, which is gratuitous and discretionary, since the future value of the Performance Shares is unknown and unpredictable.

The Participant understands and agrees that, unless otherwise expressly set forth in the Agreement, the Participant's termination of employment for any reason (including for the reasons listed below) will automatically result in the cancellation and loss of any Performance Shares that may have been granted to the Participant and that were not fully vested on the date of termination of employment. In particular, the Participant understands and agrees that, unless otherwise expressly set forth in the Agreement, the Performance Shares will be cancelled without entitlement to any proceeds or to any amount as indemnification if the Participant terminates employment by reason of, including, but not limited to: resignation, death, disability, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause, individual or collective layoff on objective grounds, whether adjudged to be with cause or adjudged or recognized to be without cause, material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, Article 50 of the Workers' Statute, unilateral withdrawal by the Employer, and under Article 10.3 of Royal Decree 1382/1985.

The Participant also understands that the grant of Performance Shares would not be made but for the assumptions and conditions set forth hereinabove; thus, the Participant understands, acknowledges and freely accepts that, should any or all of the assumptions be mistaken or any of the conditions not be met for any reason, the grant of the Performance Shares shall be null and void.

***Notifications***

**Securities Law Information.** The Performance Shares do not qualify under Spanish regulations as securities. No "offer of securities to the public", as defined under Spanish law, has taken place or will take place in the Spanish territory. The Agreement (including Appendix B and this Appendix C) has not been nor will it be registered with the *Comisión Nacional del Mercado de Valores*, and does not constitute a public offering prospectus.

**Foreign Asset/Account Reporting Information.** The Participant may be subject to certain tax reporting requirements with respect to rights or assets (including cash in a bank or brokerage account) held outside of Spain with an aggregate value exceeding €50,000 per type of asset or right as of December 31 each year. Unvested awards (*e.g.*, Performance Shares) are not considered assets or rights for purposes of this reporting requirement. If applicable, the Participant must report the assets on Form 720 by no later than March 31 following the end of the relevant year. After the assets and/or rights are initially reported, the reporting obligation will apply only if the value of previously reported assets or rights increases by more than €20,000 as of each subsequent December 31. The Participant should consult with the Participant's personal advisor to determine the Participant's obligations in this respect.

In addition, the Participant may be required to electronically declare to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments and any transactions with non-Spanish residents (including any payments of cash made to the Participant by the Company into a U.S. brokerage account) if the balances in such accounts together with the value of such instruments as of December 31, or the volume of transactions with non-Spanish residents during the prior or current year, exceed €1,000,000. Once the €1,000,000 threshold has been surpassed in either respect, the Participant will generally be required to report all of the Participant's foreign accounts, foreign instruments and transactions with non-Spanish residents, even if the relevant threshold has not been crossed for an individual item. The Participant will generally only be required to report on an annual basis.

## UNITED ARAB EMIRATES

***Notifications***

**Securities Law Information.** Participation in the Plan is being offered only to Eligible Persons and is in the nature of providing equity incentives to Eligible Persons. Any documents related to participation in the Plan, including the Plan, the Agreement and any other grant documents ("Performance Share Documents"), are intended for distribution only to such Eligible Persons and must not be delivered to, or relied on by, any other person. The United Arab Emirates securities or financial/economic authorities have no responsibility for reviewing or verifying any Performance Share Documents and have not approved the Performance Share Documents nor taken steps to verify the information set out in them, and thus, are not responsible for their content.

The securities to which this statement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. The Participant is aware that he or she should, as a prospective stockholder, conduct his or her own due diligence on the securities. The Participant acknowledges that if he or she does not understand the contents of the Performance Share Documents, the Participant should consult an authorized financial advisor.

## UNITED KINGDOM

***Terms and Conditions***

**Responsibility for Taxes**. This provision supplements Section 4 of the Performance Share Unit Agreement and Section 1 of the Terms and Conditions for Non-U.S. Participants:

Without limitation to Section 4 of the Performance Share Unit Agreement and Section 1 of the Terms and Conditions for Non-U.S. Participants, the Participant agrees that the Participant is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company or the Employer or by Her Majesty's Revenue and Customs ("HMRC") (or any other tax authority or any other relevant authority). The Participant also agrees to indemnify and keep indemnified the Company and the Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on the Participant's behalf.

Notwithstanding the foregoing, if the Participant is a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act), the Participant understands that he or she may not be able to indemnify the Company for the amount of any Tax-Related Items not collected from or paid by the Participant, in case the indemnification could be considered a loan. In this case, the Tax-Related Items not collected or paid may constitute a benefit to the Participant on which additional income tax and National Insurance contributions ("NICs") may be payable. The Participant understands that he or she will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying to the Company and/or the Employer (as appropriate) the amount of any NICs due on this additional benefit, which may also be recovered from the Participant by any of the means referred to in Section 4 of the Performance Share Unit Agreement or Section 1 of the Terms and Conditions for Non-U.S. Participants.

**Exhibit 10.3**

**AWARD NOTICE**
**AND**
**RESTRICTED STOCK UNIT AGREEMENT**

**HILTON 2017 OMNIBUS INCENTIVE PLAN**

The Participant has been granted Restricted Stock Units with the terms set forth in this Award Notice, and subject to the terms and conditions of the Plan and the Restricted Stock Unit Agreement (including the terms and conditions set forth in the appendices attached thereto, the "Agreement") to which this Award Notice is attached. Capitalized terms used and not defined in this Award Notice will have the meanings set forth in the Agreement and the Plan.

| Participant Name | Number of Restricted Stock Units Granted | Vesting Schedule | Date of Grant |
|---|---|---|---|
| #ParticipantName# | #QuantityGranted# RSUs | 50% vests on March 3 of 2022 and 2023 (each, a "vesting date") | #GrantDate# |

Vesting Schedule:

Vesting of the RSUs as specified in the chart above is subject to the Participant's continued employment with a member of the Company Group through and including each applicable vesting date (unless otherwise provided for in Section 2(b) or Section 2(c) of the Agreement); provided that if the number of RSUs is not evenly divisible by two (2), then no fractional Shares will vest and the installments will be as equal as possible with the smaller installment(s) vesting first.

**RESTRICTED STOCK UNIT AGREEMENT**

**HILTON 2017 OMNIBUS INCENTIVE PLAN**

This Restricted Stock Unit Agreement, effective as of the Date of Grant (as defined below), is between Hilton Worldwide Holdings Inc., a Delaware corporation (the "Company"), and the individual listed in the Award Notice as the "Participant." Capitalized terms have the meaning set forth in Section 20, or, if not otherwise defined herein, in the Hilton 2017 Omnibus Incentive Plan (as it may be amended, the "Plan").

**1. Grant and Vesting of RSUs**.

(a) The Company grants the Participant on the Date of Grant the number of RSUs as provided in the Award Notice, subject to and in accordance with the terms, conditions and restrictions in the Plan, the Award Notice, and this Agreement.

(b) Except as provided in Section 2, and to the extent not previously vested or forfeited as provided in this Agreement, the Company will issue to the Participant one Share for each RSU which becomes vested in accordance with the terms and conditions of the Award Notice and this Agreement, as soon as reasonably practicable following the applicable vesting date (and in any event within 2.5 months of the applicable vesting date), and such vested RSU will be cancelled upon delivery of the Share. The Participant will not have any of the rights or privileges of a stockholder of the Company in respect of the Shares subject to RSUs until the Shares have been issued to the Participant in accordance with this Section 1. The Company has no obligation to issue Shares if any issuance would not comply with all relevant provisions of applicable law and the requirements of any stock exchange on which the Shares are listed for trading. For the avoidance of doubt, the Participant is not entitled to pro-rata vesting of any Shares if the Participant is employed for only a portion of the vesting period, but no longer employed on the respective vesting date.

(c) Notwithstanding anything herein to the contrary, the Participant must accept this Agreement within ninety (90) days following the Date of Grant, and, if the Agreement has not been accepted within such ninety (90) day period, the RSUs will be forfeited on the ninetieth ($90^{th}$) day following the Date of Grant.

**2. Termination of Employment**.

(a) Subject to Section 2(b) or Section 2(c) below, in the event that the Participant's employment with the Company Group terminates for any reason, any unvested RSUs will be forfeited and all of the Participant's rights under this Agreement will cease as of the effective date of termination of employment (the "Termination Date").

(b) Any unvested RSUs will fully vest as of the Termination Date and will be settled in accordance with Section 1 if the Participant's employment with the Company Group is terminated:

(i) by the Company Group due to or during the Participant's Disability or due to the Participant's death; or

(ii) by the Company Group without Cause within the period commencing on the date of a Change in Control and ending on the date that is 12 months thereafter.

(c) In the event the Participant's employment with the Company Group terminates as a result of the Participant's Retirement after the date that is six (6) months after the Date of Grant, all unvested RSUs will remain outstanding and will continue to vest, following the Termination Date, in accordance with the schedule set forth in the Award Notice and upon vesting, will be settled in accordance with Section 1, so long as no Restrictive Covenant Violation occurs (as determined by the Committee or its designee in its sole discretion prior to the applicable vesting date). The Committee or its designee may require the Participant to certify in writing prior to each applicable vesting date that no Restrictive Covenant Violation has occurred. Notwithstanding the foregoing, if the Participant's Retirement occurs on a date within the period commencing on the date of a Change in Control and ending on the date that is 12 months thereafter, any unvested RSUs will become fully and immediately vested as of the date of such Retirement and will be settled in accordance with Section 1 (i.e., in the same manner as set forth under Section 2(b)(ii)).

(d) The Participant's rights with respect to the RSUs will not be affected by any change in the nature of the Participant's employment so long as the Participant continues to be employed by a member of the Company Group. Whether (and the circumstances under which) the Participant's employment has terminated and the determination of the Termination Date for purposes of this Agreement will be determined by the Committee (or, with respect to any Participant who is not a director or Officer, its designee, whose good faith determination will be final, binding and conclusive; provided, that such designee may not make any such determination with respect to the designee's own employment for purposes of the RSUs).

**3. Tax Withholding**. In connection with settlement of any RSUs under Section 1, the Company will withhold a number of Shares in the amount necessary to satisfy applicable U.S. and non-U.S. Federal, state or local tax or other withholding requirements, if any ("Withholding Taxes") in accordance with Section 15(d) of the Plan (or, if the Participant is subject to Section 16 of the Exchange Act at such time, such amount which would not result in adverse consequences under GAAP), unless otherwise agreed to in writing by the Participant and the Company. If any Withholding Taxes become due prior to the settlement of any RSUs, the Committee may accelerate the vesting of a number of RSUs equal in value to the Withholding Taxes, the Shares to be issued in settlement of such accelerated RSUs will be withheld by the Company, and the number of RSUs so accelerated will reduce the number of RSUs which would otherwise become vested on the next applicable vesting date. The number of RSUs or Shares equal to the Withholding Taxes will be determined using the closing price per Share on the New York Stock Exchange (or other principal exchange on which the Shares then trade) on the date of determination, and will be rounded up to the nearest whole RSU or Share.

**4. Dividend Equivalents.** With respect to the RSUs, the Participant shall be credited with dividend equivalents as and when dividends are paid to the Company's shareholders. Dividend equivalents shall accumulate and be paid to the Participant in cash (without interest) as and when the RSUs from which the dividend equivalents are derived are settled in accordance with Section 1 and the Participant shall not have any right to such dividend equivalents prior to such settlement. Dividend equivalents shall be subject to the same vesting requirements that apply to the RSUs from which such dividend equivalents are derived. If the RSUs from which the dividend equivalents are derived are forfeited, the Participant shall have no right to any dividend equivalents.

**5. Repayment of Proceeds; Clawback Policy.** The RSUs, any dividend equivalent payments, and all Shares received in respect of the RSUs and all proceeds related to the RSUs are subject to the clawback and repayment terms set forth in Sections 15(v) and 15(w) of the Plan and the Company's Clawback Policy, as in effect from time to time, to the extent the Participant is a director or Officer. In addition, if any member of the Company Group terminates the Participant's employment for Cause or discovers after Termination that grounds existed for a Termination for Cause at the time thereof, then the Participant will be required, in addition to any other remedy available (on a non-exclusive basis), to pay the Company, within ten (10) business days of the Company's request, the aggregate after-tax proceeds the Participant received in respect of the RSUs and any Shares issued in respect thereof.

**6. Adjustments Upon Change in Capitalization.** The RSUs, any dividend equivalent payments, and/or the Shares, are subject to adjustment in accordance with Section 13 of the Plan.

**7. Restrictive Covenants**. The Participant acknowledges and recognizes the highly competitive nature of the businesses of the Company Group, that the Participant will be allowed access to confidential and proprietary information (including, but not limited to, trade secrets) about those businesses, as well as access to the prospective and actual customers, suppliers, investors, clients and partners involved in those businesses, and the goodwill associated with the Company Group. The Participant accordingly agrees to the provisions of Appendix A to this Agreement (the "Restrictive Covenants"). For the avoidance of doubt, the Restrictive Covenants contained in this Agreement are in addition to, and not in lieu of, any other restrictive covenants or similar covenants or agreements between the Participant and any member of the Company Group.

**8. Restrictions on Transfer.** The Participant may not assign, sell or otherwise transfer the RSUs or the Participant's right to receive Shares other than in accordance with Section 15(b) of the Plan.

**9. RSUs Subject to the Plan.** The Agreement and RSUs granted under this Agreement are subject to all terms and provisions of the Plan and all such terms and provisions are incorporated into this Agreement. By accepting the RSUs, the Participant acknowledges that the Participant has received and read the Plan and prospectus and agrees to be bound by the terms, conditions, and restrictions set forth in the Plan, this Agreement, and the Company's policies, as in effect from time to time, relating to the Plan. In the event of a conflict between

any term or provision of the Agreement and a term or provision of the Plan, the terms of the Plan will govern and prevail.

**10. Governing Law; Venue.** This Agreement will be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts made and performed wholly within the State of Delaware, without giving effect to the conflict of laws provisions thereof. For purposes of litigating any dispute that arises under this Agreement, the parties consent to and submit to the exclusive and personal jurisdiction and venue of the State of New York or the State of Delaware, and each of the Participant, the Company, and any transferees who hold RSUs pursuant to a valid assignment, hereby submits to the exclusive jurisdiction of such courts for the purpose of any such suit, action, proceeding, or judgment.

**11. No Additional Rights**. By accepting this Agreement and the grant of the RSUs contemplated in this Agreement, the Participant expressly acknowledges that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

(b) the grant of RSUs is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of RSUs, or benefits in lieu of RSUs, even if RSUs have been granted in the past;

(c) all determinations with respect to future grants of RSUs or other awards, if any, and the terms thereof, will be at the sole discretion of the Company;

(d) the Participant's participation in the Plan is voluntary and not a condition of Participant's employment and the Participant may decline to accept the RSUs without adverse consequences to the Participant's continued employment with the Company Group;

(e) the grant and the Participant's participation in the Plan shall not create a right to employment or be interpreted as forming or amending an employment relationship with the Company and shall not interfere with the ability of Company Group to terminate the Participant's employment relationship, if any;

(f) the value of the RSUs is an extraordinary item that is outside the scope of the Participant's employment contract, if any, and nothing can or must automatically be inferred from such employment contract or its consequences;

(g) grants of RSUs, and the income from and value of same, are not part of normal or expected compensation for any purpose and are not to be used for calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, holiday pay, pension or retirement benefits or welfare or similar payments, and the Participant waives any claim on such basis, and for the avoidance of doubt, the RSUs will not constitute an "acquired right" under the applicable law of any jurisdiction;

(h) the future value of the underlying Shares is unknown, indeterminable, and cannot be predicted with certainty;

(i) neither the Plan nor this Agreement nor the Participant's receipt of the RSUs imposes any obligation on any member of the Company Group to continue the employment relationship of the Participant; and

(j) the Participant will have no rights to compensation or damages related to RSU proceeds in consequence of the Termination of the Participant's employment for any reason whatsoever and whether or not in breach of contract.

**12. Section 409A of the Code**.

(a) This Agreement is intended to comply with the provisions of Section 409A of the Code and the regulations promulgated thereunder ("Section 409A"). Without limiting the foregoing, the Committee will have the right to amend the terms and conditions of this Agreement in any respect as may be necessary or appropriate to comply with Section 409A or any regulations promulgated thereunder, including without limitation by delaying the issuance of the Shares contemplated pursuant to this Agreement.

(b) Notwithstanding any other provision of this Agreement to the contrary, if the Participant is a "specified employee" within the meaning of Section 409A, and is subject to U.S. federal income tax, no payments in respect of any RSU that is "deferred compensation" subject to Section 409A and which would otherwise be payable upon the Participant's "separation from service" (as defined in Section 409A) will be made to the Participant prior to the date that is six (6) months after the date of the Participant's "separation from service" or, if earlier, the Participant's date of death. Following any applicable six (6) month delay, all such delayed payments will be paid in a single lump sum on the earliest date permitted under Section 409A that is also a business day. The Participant is solely responsible and liable for the satisfaction of all taxes and penalties under Section 409A that may be imposed on or in respect of the Participant in connection with this Agreement, and the Company will not be liable to any Participant for any payment made under this Plan that is determined to result in an additional tax, penalty or interest under Section 409A, nor for reporting in good faith any payment made under this Agreement as an amount includible in gross income under Section 409A. Each payment in a series of payments under this Agreement will be deemed to be a separate payment for the purposes of Section 409A.

**13. Electronic Delivery and Acceptance.** This Agreement may be executed electronically and in counterparts. The Company currently delivers documents related to the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line system established and maintained by the Company or a third party designated by the Company.

**14. Imposition of Other Requirements.** The Company may (a) impose other requirements, policies or procedures relating to the Participant's participation in the Plan, on the RSUs and on any Shares acquired under the Plan to the extent the Company determines it is

necessary or advisable for legal or administrative purposes and (b) require the Participant to sign any additional agreements that may be necessary to accomplish the foregoing.

**15. No Advice Regarding Grant.** The Participant acknowledges and agrees that the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or the Participant's acquisition or sale of the underlying Shares. The Participant should consult with the Participant's own personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

**16. Appendices For Non-U.S. Participants.** Notwithstanding any provisions in this Restricted Stock Unit Agreement to the contrary, if the Participant resides and/or works outside the United States, the RSUs and the Shares will be subject to the Terms and Conditions for Non-U.S. Participants attached as Appendix B and to any Country-Specific Terms and Conditions for the Participant's country attached as Appendix C. If the Participant relocates from the United States to another country, the Terms and Conditions for Non-U.S. Participants and the applicable Country-Specific Terms and Conditions will apply to the Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Moreover, if the Participant relocates between any of the countries included in the Country-Specific Terms and Conditions, the additional terms and conditions for such country will apply to the Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons.

**17. Severability**. Should any provision of this Agreement be held by a court of competent jurisdiction to be unenforceable or invalid for any reason, the remaining provisions of this Agreement shall not be affected by such holding and shall continue in full force in accordance with their terms.

**18. Waiver.** The Participant acknowledges that a waiver by the Company of any breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant.

**19. Definitions.** The following terms will have the following meanings for purposes of this Agreement:

(a) "Agreement" means this Restricted Stock Unit Agreement including (unless the context otherwise requires) the Award Notice, Appendix A, and the appendices for non-U.S. Participants attached hereto as Appendix B and Appendix C.

(b) "Award Notice" means the notice to the Participant.

(c) "Date of Grant" means the "Date of Grant" listed in the Award Notice.

(d) "Officer" means "officer" as defined under Rule 16a-1(f) of the Exchange Act.

(e) "Restrictive Covenant Violation" means the Participant's breach of the Restrictive Covenants listed on Appendix A or any other covenant regarding confidentiality, competitive activity, solicitation of the Company Group's vendors, suppliers, customers, or employees, or any similar provision applicable to or agreed to by the Participant.

(f) "Retirement" means a termination of the Participant's employment with the Company Group for any reason, whether by the Participant or by the Company Group, following the date on which (i) the Participant attained the age of 55 years old, and (ii) the number of completed years of the Participant's continuous employment with the Company Group is at least 10; provided, however, that a termination of the Participant's employment (w) by the Company Group for Cause, (x) by the Company Group, or the Participant, in either case, while grounds for Cause exist, (y) due to the Participant's death, or (z) due to or during the Participant's Disability, in each case, will not constitute a Retirement for the purposes of this Agreement, regardless of whether such termination occurs following the date on which the age and service requirements set forth in clauses (i) and (ii) have been satisfied.

(g) "RSUs" means that number of Restricted Stock Units listed in the Award Notice as "Restricted Stock Units Granted," subject to adjustment in accordance with Section 6 of the Agreement.

(h) "Shares" means a number of shares of Common Stock equal to the number of RSUs.

[*Signatures follow*]

HILTON WORLDWIDE HOLDINGS INC.

By: /s/ Christopher J. Nassetta
Christopher J. Nassetta
Chief Executive Officer

By: /s/ Laura Fuentes
Laura Fuentes
Executive Vice President and Chief Human Resources Officer

Acknowledged and Agreed
as of the date first written above:

#Signature#

_____
Participant Signature

**APPENDIX A**

**Restrictive Covenants**

**1. Non-Competition; Non-Solicitation**.

(a) The Participant acknowledges and recognizes the highly competitive nature of the businesses of the Company Group and accordingly agrees as follows:

(i) While the Participant is employed by the Company Group (the "Employment Term") and for a period that ends on the later to occur of (A) the first anniversary of the Termination Date or (B) the last day on which any portion of the RSUs granted under this Agreement are eligible to vest if the Participant ceases to be employed by the Company Group as a result of the Participant's Retirement (such period, the "Restricted Period"), the Participant will not, whether on the Participant's own behalf or on behalf of or in conjunction with any person, firm, partnership, joint venture, association, corporation or other business organization, entity or enterprise whatsoever ("Person"), directly or indirectly solicit or assist in soliciting away from the Company the business of any then current or prospective client or customer with whom the Participant (or his or her direct reports) had personal contact or dealings on behalf of the Company during the one-year period preceding the Termination Date.

(ii) During the Restricted Period, Participant will not, directly or indirectly:

(A) engage in the Business providing services in the nature of the services the Participant provided to any member of the Company Group at any time in the one year prior to the Termination Date, for a Competitor (as defined below) in the Restricted Area (as defined below);

(B) enter the employ of, or render any services to, a Competitor in the Restricted Area, except where such employment or services do not relate in any manner to the Business;

(C) acquire a financial interest in, or otherwise become actively involved with, a Competitor in the Restricted Area, directly or indirectly, as an individual, partner, shareholder, officer, director, principal, agent, trustee or consultant; or

(D) intentionally and adversely interfere with, or attempt to adversely interfere with, business relationships between the members of the Company Group and any of their clients, customers, suppliers, partners, members or investors.

(iii) Notwithstanding anything to the contrary in this Appendix A, the Participant may, directly or indirectly, own, solely as an investment, securities of any

Person engaged in a Business (including, without limitation, a Competitor) which are publicly traded on a national or regional stock exchange or on the over-the-counter market if the Participant (A) is not a controlling person of, or a member of a group which controls, such Person and (B) does not, directly or indirectly, own 2% or more of any class of securities of such Person.

(iv) During the Restricted Period, the Participant will not, whether on the Participant's own behalf or on behalf of or in conjunction with any Person or entity, directly or indirectly solicit or encourage any employee of the Company Group to leave the employment of the Company Group or hire any employee who was employed by the Company Group as of the Termination Date, provided that this prohibition does not apply to (i) administrative personnel employed by the Company or (ii) any Company employee who is hired away from the Company as a result of responding to a generic job posting on a website or in a newspaper or periodical of general circulation, without any involvement or encouragement by Participant.

(v) During the Restricted Period, the Participant will not, whether on the Participant's own behalf or on behalf of or in conjunction with any Person, directly and intentionally encourage any consultant of the Company to cease working with the Company.

(vi) For purposes of this Agreement:

(A) "Business" means the business of owning, operating, managing and/or franchising hotel and lodging properties.

(B) "Competitor" means any Person engaged in the Business, including, but not limited to, Accor Group, AirBnB Inc., Best Western International, Carlson Hospitality Worldwide, Choice Hotels International, G6 Hospitality LLC, Host Hotels & Resorts, Inc., Hyatt Hotels Corporation, InterContinental Hotels Group Plc, LQ Management LLC, Marriott International, Inc., Wyndham Hotels & Resorts, Inc. and Wynn Resorts, Limited.

(C) "Restricted Area" means the United States and any country in which the Company is engaged in the Business or where the Participant knows or should know the Company has taken steps to engage in the Business.

(b) It is expressly understood and agreed that although the Participant and the Company consider the restrictions contained in this Section 1 to be reasonable, if a judicial determination is made by a court of competent jurisdiction that the time or territory or any other restriction contained in this Appendix A is an unenforceable restriction against the Participant, the provisions of this Appendix A will not be rendered void but will be deemed amended to apply as to such maximum time and territory and to such maximum extent as such court may judicially determine or indicate to be enforceable. Alternatively, if any court of competent jurisdiction finds that any restriction contained in this Appendix A is unenforceable, and such

restriction cannot be amended so as to make it enforceable, such finding will not affect the enforceability of any of the other restrictions contained herein.

(c) The period of time during which the provisions of this Section 1 will be in effect will be extended by the length of time during which the Participant is in breach of the terms hereof as determined by any court of competent jurisdiction on the Company's application for injunctive relief.

(d) Notwithstanding the foregoing, if the Participant's principal place of employment on the Date of Grant is located in California or any other jurisdiction where any provision of this Section 1 is prohibited by applicable law, then the provisions of this Section 1 will not apply following the Termination Date to the extent any such provision is prohibited by applicable law.

**2. Confidentiality; Non-Disparagement; Intellectual Property; Protected Rights**.

(a) Confidentiality.

(i) The Participant will not at any time (whether during or after the Employment Term) (x) retain or use for the benefit, purposes or account of the Participant or any other Person; or (y) disclose, divulge, reveal, communicate, share, transfer or provide access to any Person outside the Company Group (other than its professional advisers who are bound by confidentiality obligations or otherwise in performance of the Participant's duties during the Employment Term and pursuant to customary industry practice), any non-public, proprietary or confidential information (including, without limitation, trade secrets, know-how, research and development, software, databases, inventions, processes, formulae, technology, designs and other intellectual property, information concerning finances, investments, profits, pricing, costs, products, services, vendors, customers, clients, partners, investors, personnel, compensation, recruiting, training, advertising, sales, marketing, promotions, government and regulatory activities and approvals) concerning the past, current or future business, activities and operations of any member of the Company Group and/or any third party that has disclosed or provided any of same to any member of the Company Group on a confidential basis ("Confidential Information") without the prior written authorization of the Board or its designee.

(ii) "Confidential Information" does not include any information that is (a) generally known to the industry or the public other than as a result of the Participant's breach of this covenant; (b) made legitimately available to the Participant by a third party without breach of any confidentiality obligation of which the Participant has knowledge; or (c) required by law to be disclosed; provided that, unless otherwise provided under applicable law, with respect to subsection (c) the Participant is required to give prompt written notice to the Company of such requirement, disclose no more information than is so required, and reasonably cooperate with any attempts by the Company to obtain a protective order or similar treatment.

(iii) Upon termination of the Participant's employment with the Company Group for any reason, the Participant agrees to (x) cease and not thereafter commence use of any Confidential Information or intellectual property (including, without limitation, any patent, invention, copyright, trade secret, trademark, trade name, logo, domain name or other source indicator) owned or used by any member of the Company Group; and (y) immediately destroy, delete, or return to the Company, at the Company's option, all originals and copies in any form or medium (including memoranda, books, papers, plans, computer files, letters and other data) in the Participant's possession or control (including any of the foregoing stored or located in the Participant's office, home, laptop or other computer, whether or not Company Group property) that contain Confidential Information, except that the Participant may retain only those portions of any personal notes, notebooks and diaries that do not contain any Confidential Information.

(b) Non-Disparagement. During the Employment Term and at all times thereafter, the Participant will not directly, or through any other Person, make any public or private statements that are disparaging of the Company, its affiliates or subsidiaries, or their respective businesses or employees, officers, directors, or stockholders, or any product or service offered by any member of the Company Group; provided, however, that nothing contained in this Section 2(b) precludes the Participant from providing truthful testimony in any legal proceeding, or making any truthful statement (i) to any governmental agency in accordance with Section 2(d) hereof; (ii) as required or permitted by applicable law or regulation or (iii) as required by court order or other legal process.

(c) Intellectual Property.

(i) If the Participant has created, invented, designed, developed, contributed to or improved any works of authorship, inventions, intellectual property, materials, documents or other work product (including without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content, or audiovisual materials) ("Works"), either alone or with third parties, prior to the commencement of the Employment Term, that are relevant to or implicated by such employment ("Prior Works"), the Participant hereby grants the Company a perpetual, non-exclusive, royalty-free, worldwide, assignable, sublicensable license under all rights and intellectual property rights (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) therein for all purposes in connection with the Company Group's current and future business.

(ii) If the Participant creates, invents, designs, develops, contributes to or improves any Works, either alone or with third parties, at any time during the Employment Term and within the scope of such employment and with the use of any Company Group resources ("Company Works"), the Participant agrees to promptly and fully disclose such Company Works to the Company and hereby irrevocably assigns, transfers and conveys, to the maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property,

copyright, trademark, trade secret, unfair competition and related laws) to the Company to the extent ownership of any such rights does not vest originally in the Company.

(iii) The Participant agrees to take all reasonably requested actions and execute all reasonably requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Company in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the Company's rights in the Prior Works and Company Works. If the Company is unable for any other reason, after reasonable attempt, to secure the Participant's signature on any document for this purpose, then the Participant hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as the Participant's agent and attorney in fact, to act for and on the Participant's behalf and stead to execute any documents and to do all other lawfully permitted acts required in connection with the foregoing.

(iv) The Participant agrees not to improperly use for the benefit of, bring to any premises of, divulge, disclose, communicate, reveal, transfer or provide access to, or share with any member of the Company Group any confidential, proprietary or non-public information or intellectual property relating to a former employer or other third party without the prior written permission of such third party. The Participant agrees to comply with all relevant policies and guidelines of the Company Group that are, from time to time, previously disclosed to the Participant, including regarding the protection of Confidential Information and intellectual property and potential conflicts of interest. The Participant acknowledges that any member of the Company Group may amend any such policies and guidelines from time to time, and that the Participant remains at all times bound by their most current version from time to time previously disclosed to the Participant.

(d) Protected Rights. Nothing contained in this Agreement limits (i) the Participant's ability to disclose any information to governmental agencies or commissions as may be required by law, or (ii) the Participant's right to communicate, cooperate or file a complaint with any U.S. federal, state or local governmental or law enforcement branch, agency or entity (collectively, a "Governmental Entity") with respect to possible violations of any U.S. federal, state or local law or regulation, or otherwise make disclosures to any Governmental Entity, in each case, that are protected under the whistleblower provisions of any such law or regulation, provided that in each case such communications and disclosures are consistent with applicable law, or (iii) the Participant's right to receive an award from a Governmental Entity for information provided under any whistleblower program, without notice to the Company. This Agreement does not limit the Participant's right to seek and obtain a whistleblower award for providing information relating to a possible securities law violation to the Securities and Exchange Commission. The Participant shall not be held criminally or civilly liable under any U.S. federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a U.S. federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If the

Participant files a lawsuit for retaliation by an employer for reporting a suspected violation of law the Participant may disclose the trade secret to the attorney of the Participant and use the trade secret information in the court proceeding, if the Participant files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order. The Participant is not be required to give prior notice to (or get prior authorization from) the Company regarding any such communication or disclosure. Except as otherwise provided in this paragraph or under applicable law, under no circumstance is the Participant authorized to disclose any information covered by the Company's or any other member of the Company Group's attorney-client privilege or attorney work product or the Company's or any other member of the Company Group's trade secrets without the prior written consent of the Company.

(e) Injunctive Relief; Other Remedies for Breach. The Participant acknowledges and agrees that a violation of any of the terms of this Appendix A will cause the Company irreparable injury for which adequate remedy at law is not available. Accordingly, it is agreed that the Company may seek an injunction, restraining order or other equitable relief to prevent breaches of the provisions of this Appendix A and to enforce specifically the terms and provisions hereof in any court of competent jurisdiction in the United States or any state thereof, in addition to any other remedy to which it may be entitled at law or equity. Additionally, in the event the Participant breaches the terms of this Appendix A, the Participant shall be deemed to have engaged in Detrimental Activity (as defined in the Plan) and the provisions set forth in Section 15(w) of the Plan shall apply.

The provisions of Section 2 hereof will survive the termination of the employment for any reason.

**APPENDIX B**

**HILTON 2017 OMNIBUS INCENTIVE PLAN**
**RESTRICTED STOCK UNIT AGREEMENT**

**TERMS AND CONDITIONS FOR NON-U.S. PARTICIPANTS**

Capitalized terms used but not otherwise defined herein will have the meaning given to such terms in the Plan and the Restricted Stock Unit Agreement. For the avoidance of doubt, all provisions of the Restricted Stock Unit Agreement and the Award Notice apply to Non-U.S. Participants except to the extent supplemented or modified by this Appendix B or Appendix C.

**1. Responsibility for Taxes**. This provision supplements Section 5 of the Restricted Stock Unit Agreement:

(a) The Participant acknowledges that, regardless of any action taken by the Company or, if different, the Participant's employer (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally or deemed legally applicable to the Participant ("Tax-Related Items") is and remains the Participant's responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSUs, including, but not limited to, the grant, vesting or settlement of the RSUs, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends and/or any dividend equivalents; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the RSUs to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if the Participant is subject to Tax-Related Items in more than one jurisdiction, the Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant taxable or tax withholding event, as applicable, the Participant agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Participant authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by one or a combination of the following:

(i) withholding from the Participant's wages, salary, or other cash compensation payable to the Participant by the Company, the Employer, or any other member of the Company Group;

(ii) withholding from any cash payment made in settlement of the RSUs or dividend equivalents;

(iii) withholding from proceeds of the sale of Shares either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant's behalf pursuant to this authorization without further consent); or

(iv) withholding in Shares;

provided, however, that if the Participant is subject to Section 16 of the Exchange Act, then the Company will withhold in Shares upon the relevant taxable or tax withholding event, as applicable, unless the use of such withholding method is problematic under applicable law or has materially adverse accounting consequences, in which case, the obligation for Tax-Related Items may be satisfied by one or a combination of methods (i), (ii) and (iii) above.

(c) The Company may withhold or account for Tax-Related Items by considering statutory withholding amounts or other applicable withholding rates, including maximum rates applicable in the Participant's jurisdiction(s). In the event of over-withholding, the Participant may receive a refund of any over-withheld amount in cash and (with no entitlement to the equivalent in Common Stock) from the Company or the Employer; otherwise, the Participant may be able to seek a refund from the local tax authorities. In the event of under-withholding, the Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer. If the withholding obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the vested RSUs, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items.

(d) Finally, the Participant agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares or to make any cash payment upon settlement of the RSUs if the Participant fails to comply with the Participant's obligations in connection with the Tax-Related Items.

(e) Notwithstanding anything to the contrary in the Plan or in Section 5 of the Restricted Stock Unit Agreement, if the Company is required by applicable law to use a particular definition of fair market value for purposes of calculating the taxable income for the Participant, the Company will have the discretion to calculate the Shares to be withheld to cover any Withholding Taxes by using either the price used to calculate the taxable income under applicable law or by using the closing price per Share on the New York Stock Exchange (or other principal exchange on which the Shares then trade) on the trading day immediately prior to the date of delivery of the Shares.

**2. Nature of Grant**. This provision supplements Sections 3 and 11 of the Restricted Stock Unit Agreement:

By accepting the grant of the RSUs, the Participant acknowledges, understands and agrees that:

(a) the RSU grant and the Participant's participation in the Plan does not create a right to employment and shall not be interpreted as forming or amending an employment contract with the Company;

(b) the RSUs and the Shares subject to the RSUs, and the income from and value of same are not intended to replace any pension rights or compensation;

(c) unless otherwise agreed with the Company, the RSUs and the Shares and the income from and value of same, are not granted as consideration for, or in connection with, the service the Participant may provide as a director of a Subsidiary.

(d) for purposes of the RSUs, the Termination Date will be the date the Participant is no longer actively providing services to a member of the Company Group (regardless of the reason for such termination and whether or not later to be found invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any), and such date will not be extended by any notice period (*e.g.*, the Participant's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under applicable laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any); the Committee shall have exclusive discretion to determine when the Participant is no longer actively providing services for purposes of the RSUs (including whether the Participant may still be considered to be providing services while on a leave of absence);

(e) unless otherwise provided in the Plan or by the Company in its discretion, the RSUs and the benefits evidenced by this Agreement do not create any entitlement to have the RSUs or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Common Stock; and

(f) neither the Company nor any other member of the Company Group will be liable for any foreign exchange rate fluctuation between the Participant's local currency and the United States Dollar that may affect the value of the RSUs or of any amounts due to the Participant pursuant to the settlement of the RSUs or the subsequent sale of any Shares acquired upon settlement.

**3. Insider Trading Restrictions/Market Abuse Laws**. The Participant acknowledges that, depending on his or her country, or the broker's country, or where the Shares are listed, the Participant may be subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions, which may affect the Participant's ability to, directly or indirectly, accept, acquire, sell, or attempt to sell or otherwise dispose of Shares, rights to Shares (*e.g.*, RSUs), or rights linked to the value of Shares, during such times as the Participant is considered to have "inside information" regarding the Company (as defined by the laws and/or regulations in the applicable jurisdictions or the Participant's country). Local insider trading laws and

regulations may prohibit the cancellation or amendment of orders the Participant places before possessing the inside information. Furthermore, the Participant may be prohibited from (i) disclosing inside information to any third party, including fellow employees (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them to otherwise buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant is responsible for ensuring compliance with any applicable restrictions and should consult his or her personal legal advisor on this matter.

**4. Foreign Asset/Account Reporting; Exchange Controls.** The Participant's country may have certain foreign asset and/or account reporting requirements and/or exchange controls that may affect the Participant's ability to acquire or hold Shares under the Plan or cash received from participating in the Plan (including from any dividends received or sale proceeds arising from the sale of Shares) in a brokerage or bank account outside the Participant's country. The Participant may be required to report such accounts, assets or transactions to the tax or other authorities in the Participant's country. The Participant also may be required to repatriate sale proceeds or other cash received as a result of the Participant's participation in the Plan to the Participant's country through a designated bank or broker and/or within a certain time after receipt. The Participant acknowledges that it is the Participant's responsibility to be compliant with such regulations, and the Participant is advised to consult the Participant's personal legal advisor for any details.

**5. Termination of Employment**. This provision supplements Section 2(c) of the Restricted Stock Unit Agreement:

Notwithstanding any provision of the Agreement, if the Company receives a legal opinion that there has been a legal judgment and/or legal development in the Participant's jurisdiction that likely would result in the favorable treatment that applies to the RSUs when the Participant terminates employment as a result of the Participant's Retirement being deemed unlawful and/or discriminatory, the provisions of Section 2(c) regarding the treatment of the RSUs when the Participant terminates employment as a result of the Participant's Retirement will not be applicable to the Participant and the remaining provisions of Section 2 will govern.

**6. Compliance with Law**. Notwithstanding any provision of the Plan or this Agreement, unless there is an exemption from any registration, qualification or other legal requirement applicable to the Shares, the Company shall not be required to deliver any shares issuable upon settlement of the RSUs prior to the completion of any registration or qualification of the shares under any U.S. or non-U.S. federal, state or local securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission ("SEC") or any other governmental regulatory body, or prior to obtaining any approval or other clearance from any U.S. or non-U.S. federal, state or local governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Participant understands that the Company is under no obligation to register or qualify the Shares with the SEC or any state or non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares.

Further, the Participant agrees that the Company shall have unilateral authority to amend the Agreement without the Participant's consent, to the extent necessary to comply with securities or other laws applicable to the issuance of Shares.

**7.** **Language**. By accepting the Agreement, the Participant acknowledges and represents that the Participant is sufficiently proficient in the English language, or has consulted with an advisor who is sufficiently proficient in English, so as to allow the Participant to understand the terms of the Agreement and any other documents related to the Plan. If the Participant has received a copy of this Agreement (or the Plan or any other document related hereto or thereto) translated into a language other than English, such translated copy is qualified in its entirety by reference to the English version of the Plan, and in the event of any conflict the English version will govern.

**APPENDIX C**

**HILTON 2017 OMNIBUS INCENTIVE PLAN**
**RESTRICTED STOCK UNIT AGREEMENT**

**COUNTRY-SPECIFIC TERMS AND CONDITIONS**

Capitalized terms used but not otherwise defined herein have the meaning given to such terms in the Plan, the Restricted Stock Unit Agreement and the Terms and Conditions for Non-U.S. Participants.

***Terms and Conditions***

This Appendix C includes additional terms and conditions that govern the RSUs if the Participant resides and/or works in one of the countries listed below. If the Participant is a citizen or resident of a country (or is considered as such for local law purposes) other than the one in which the Participant is currently residing and/or working or if the Participant moves to another country after receiving the grant of the RSUs, the Company will, in its discretion, determine the extent to which the terms and conditions herein will be applicable to the Participant.

***Notifications***

This Appendix C also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of February 2021. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Participant not rely on the information in this Appendix C as the only source of information relating to the consequences of the Participant's participation in the Plan because the information may be out of date at the time that the RSUs vest or the Participant sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Participant's particular situation and the Company is not in a position to assure the Participant of a particular result. Accordingly, the Participant should seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to the Participant's situation.

If the Participant is a citizen or resident of a country other than the one in which the Participant is currently residing and/or working (or if the Participant is considered as such for local law purposes) or if the Participant moves to another country after receiving the grant of the RSUs, the information contained herein may not be applicable to the Participant in the same manner.

**DATA PRIVACY PROVISIONS FOR PARTICIPANTS IN ALL COUNTRIES OUTSIDE THE U.S.**

Data Privacy Notice for Participants in the European Union / European Economic Area / Switzerland / United Kingdom ("EEA+")

Pursuant to applicable data protection laws, the Participant is hereby notified that the Company collects, processes, uses and transfers certain personally-identifiable information about the Participant for the exclusive purpose of granting RSUs and implementing, administering and managing the Participant's participation in the Plan. Specifics of the data processing are described below.

**Controller and Representative in the United Kingdom and European Union**. Unless stated otherwise below, the Company is the controller responsible for the processing of the Participant's Personal Data (as defined below) in connection with the Plan.

The Company's representative in the United Kingdom is:

Hilton UK Hotels Ltd.
Hilton Legal Department
Maple Court, Central Park, Reeds Crescent
Watford, Hertfordshire WD24 4QQ
United Kingdom
Via email: DataProtectionOffice@hilton.com

The Company's representative in the European Union is:

Hilton International Nederland BV
Amsterdam Hilton
Apollolaan 138
1077 BG
Amsterdam
Netherlands
Via email: DataProtectionOffice@hilton.com

**Purposes and Legal Bases of Processing**. The Company processes the Personal Data (as defined below) for the purpose of performing its contractual obligations under the Restricted Stock Unit Agreement, granting RSUs, implementing, administering and managing the Participant's participation in the Plan and facilitating compliance with applicable law. The legal basis for the processing of the Personal Data (as defined below) by the Company and the thirdparty service providers described below is the necessity of the data processing for the Company to perform its contractual obligations under the Restricted Stock Unit Agreement and for the Company's legitimate business interests of managing the Plan and generally administering the RSUs.

**Personal Data Subject to Processing**. The Company collects, processes and uses the following types of personal data about the Participant: The Participant's name, home address, email address, date of birth, social insurance, passport number or other identification number, any shares of stock or directorships held in the Company, details of all RSUs or any other entitlement to Shares awarded, canceled, settled, vested, unvested or outstanding in the Participant's favor, which the Company receives from the Participant or the Employer ("Personal Data").

**Stock Plan Administration Service Providers**. The Company transfers Personal Data to Fidelity Stock Plan Services and certain of its affiliated companies (collectively, "Fidelity"), an independent stock plan administrator with operations, relevant to the Company, in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select different service providers and may share Personal Data with such service providers. The Company's stock plan administrators will open an account for the Participant to receive and trade Shares. The Participant will be asked to agree on separate terms and data processing practices with the service provider, which is a condition of the Participant's ability to participate in the Plan. The Participant's Personal Data will only be accessible by those individuals requiring access to it for purposes of implementing, administering and operating the Participant's participation in the Plan. The Participant understands that the Participant may request a list with the names and addresses of any potential recipients of Personal Data by contacting Hilton's Data Protection Officer as follows:

Hilton Office of the Data Protection Officer
7930 Jones Branch Drive
McLean, VA 22102 USA
Via email: DataProtectionOffice@hilton.com

**Other Recipients.** The Company may further transfer Personal Data to other third party service providers, if necessary to ensure compliance with applicable tax, exchange control, securities and labor laws. Such third party service providers may include the Company's outside legal counsel as well as the Company's auditor. Wherever possible, the Company will anonymize data, but the Participant understands that his or her Personal Data may need to be transferred to such providers to ensure compliance with applicable law and/or tax requirements.

**International Data Transfers**. The Company and its service providers, including, without limitation, Fidelity, operate, relevant to the Company, in the United States, which means that it will be necessary for Personal Data to be transferred to, and processed in, the United States. The Participant understands and acknowledges that the United States is not subject to an unlimited adequacy finding by the European Commission and that the Participant's Personal Data may not have an equivalent level of protection as compared to the Participant's country of residence. The legal basis for the transfer of the Personal Data to the Company and the thirdparty service providers described above is the necessity of the data transfer for the Company to perform its contractual obligations under the Agreement.

**Data Retention**. The Company will use the Personal Data only as long as necessary to implement, administer and manage the Participant's participation in the Plan, or as

required to comply with legal or regulatory obligations, including tax, exchange control, labor and securities laws. This means that the Participant's Personal Data may be retained even after the Termination Date.

**Data Subject Rights**. To the extent provided by law, the Participant has the right to: (i) request access to and obtain a copy of the Personal Data; (ii) request rectification (or correction) of Personal Data that is inaccurate; (iii) request erasure (or deletion) of Personal Data that is no longer necessary to fulfill the purposes for which it was collected, or does not need to be retained by the Company for other legitimate purposes; (iv) restrict or object to the processing of the Personal Data; and (v) if applicable, request the Participant's Personal Data be ported (transferred) to another company.

Subject to the applicable data protection laws, application of the above rights may vary depending on the type of data involved, and the Company's particular basis for processing the Personal Data.

To receive clarification or make a request to exercise one of the above rights, the Participant can contact Hilton's Data Protection Officer as follows:

Hilton Office of the Data Protection Officer
7930 Jones Branch Drive
McLean, VA 22102 USA
Via email: DataProtectionOffice@hilton.com

**Contractual Requirement**. The Participant's provision of Personal Data, its processing and transfer as described above is a contractual requirement and a condition to the Participant's ability to participate in the Plan. The Participant understands that, as a consequence of the Participant's refusing to provide Personal Data, the Company may not be able to allow the Participant to participate in the Plan, grant RSUs to the Participant or administer or maintain such RSUs. However, the Participant's participation in the Plan and his or her acceptance of this Restricted Stock Unit Agreement are purely voluntary. While the Participant will not receive RSUs if he or she decides against participating in the Plan or providing Personal Data as described above, the Participant's career and salary will not be affected in any way. For more information on the consequences of the refusal to provide Personal Data, the Participant may contact Hilton's Legal Privacy Office as follows:

Hilton Legal Privacy Office
7930 Jones Branch Drive
McLean, VA 22102, USA
Via email: Privacy@hilton.com

**How to Contact Us.** For copies of additional privacy documents mentioned in this Agreement, or if the Participant has privacy concerns or questions related to this Agreement, the Participant may contact the Company at Hilton Legal Privacy Office, 7930 Jones Branch Drive, McLean, VA 22102, USA.

***Data Privacy Consent for Participants outside the EEA+ and the U.S.***

***The Participant acknowledges and agrees to the collection, use and transfer, in electronic or other form, of the Participant's personal data as described in the Agreement and any other RSU grant materials by and among, as applicable, the Company and the Employer, for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan. The Participant understands that the Company may hold certain personal information about the Participant, including, but not limited to, the Participant's name, home address, e-mail address, and telephone number, work location and phone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, hire date, any shares of stock or directorships held in the Company, details of all awards or any other entitlement to shares awarded, cancelled, exercised, vested, unvested or outstanding in the Participant's favor, for the purpose of implementing, administering and managing the Participant's participation in the Plan ("Data").***

***The Participant understands that Data will be transferred to Fidelity Stock Plan Services and certain of its affiliated companies ("Fidelity") which is assisting the Company in the implementation, administration and management of the Plan (or any other third party service provider which may assist the Company in the future), that these recipients may be located in the Participant's country or elsewhere, and that the recipient's country may have different data privacy laws and protections than the Participant's country. The Participant understands that the Participant may request a list with the names and addresses of any potential recipients of the Data by contacting the Participant's local human resources representative. The Participant authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Participant's participation in the Plan. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's participation in the Plan. The Participant understands that the Participant may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Participant's local human resources representative.***

***The Participant understands that the Participant is providing the consents herein on a purely voluntary basis. If the Participant does not consent, or if the Participant later seeks to revoke the Participant's consent, the Participant's employment status or service with the Employer will not be affected; the only consequence of the Participant's refusing or withdrawing the Participant's consent is that the Company would not be able to grant RSUs or other equity awards to the Participant or administer or maintain such awards. Therefore, the Participant understands that refusing or withdrawing the Participant's consent may affect the Participant's ability to participate in the Plan. For more information on the consequences of Participant's refusal to consent or withdrawal of consent, the Participant understands that the Participant may contact the Participant's local human resources representative.***

***Finally, the Participant understands that the Company may rely on a different basis for the processing or transfer of Data in the future and/or request that the Participant provide another data privacy consent. If applicable, the Participant agrees that upon request of the Company or the Employer, the Participant will provide an executed acknowledgement or data privacy consent form (or any other agreements or consents) that the Company and/or the Employer may deem necessary to obtain from the Participant for the purpose of administering the Participant's participation in the Plan in compliance with the data privacy laws in the Participant's country, either now or in the future. The Participant understands and agrees that the Participant will not be able to participate in the Plan if the Participant fails to provide any such consent or agreement requested by the Company and/or the Employer.***

## GENERAL

***Terms and Conditions***

**Settlement of RSUs.** If, prior to settlement of the RSUs, the Participant transfers employment and/or residence to a country outside the U.S. not covered in this Appendix C, the RSUs shall continue to be settled in Shares, unless the Company determines, in its discretion, that the RSUs shall be settled in cash for administrative or legal reasons.

## CHINA

***Terms and Conditions***

*The following provisions apply if the Participant is subject to the exchange control restrictions and regulations in China, including the requirements imposed by the State Administration of Foreign Exchange ("SAFE"), as determined by the Company in its sole discretion:*

**SAFE Approval Requirement**. Notwithstanding any provision in the Agreement, the RSUs shall not vest and Shares will not be issued until all necessary exchange control and other approvals from SAFE or its local counterpart have been received by the Company or one of the members of the Company Group in China under applicable exchange control rules with respect to the Plan and the RSUs granted thereunder. Further, the Company is under no obligation to vest the RSUs and/or issue Shares if the Company's SAFE approval becomes invalid or ceases to be in effect by the time the Participant vests in the RSUs.

**Termination of Employment**. Notwithstanding Section 2(c) of the Restricted Stock Unit Agreement, if the Participant's employment terminates as a result of the Participant's Retirement after the date that is six months after the Date of Grant, any unvested RSUs will continue to vest for a period of (90) days after the Termination Date. Any RSUs that are unvested as of the end of the 90-day period will be forfeited. Further, any Shares held by the Participant at the time of termination of employment must be sold by the Participant within ninety (90) days after the Termination Date. If not sold by the Participant within such timeframe, the Company will force the sale of the Shares as described in the Restriction on Sale of Shares section below.

**Restriction on Sale of Shares**. Due to local regulatory requirements, the Company reserves the right to force the sale of any Shares issued upon settlement of the RSUs. The sale may occur (i) immediately upon issuance, (ii) following the Participant's termination of employment, (iii) following the Participant's transfer of employment to the Company, a member of the Company Group outside of China, or (iv) within any other timeframe as the Company determines to be necessary or advisable to comply with local regulatory requirements. The Participant is required to maintain any Shares acquired under the Plan in an account at a broker designated by the Company ("Designated Account") and any Shares deposited into the Designated Account cannot be transferred out of the Designated Account unless and until they are sold.

In order to facilitate the foregoing, the Company is authorized to instruct its designated broker to assist with the sale of the Shares (on the Participant's behalf pursuant to this authorization without further consent) and the Participant expressly authorizes the Company's designated broker to complete the sale of such Shares. The Participant acknowledges that the Company's designated broker is under no obligation to arrange for the sale of the Shares at any particular price. Upon the sale of the Shares, the Company will pay to the Participant the cash proceeds from the sale, less any brokerage fees or commissions and subject to any obligation to satisfy Tax-Related Items. If the Shares acquired under the Plan are sold, the repatriation requirements described below shall apply.

Employees transferring from outside of China to a member of the Company Group in China and employees transferring from a member of the Company Group in China to the Company or a member of the Company Group outside of China may become or remain subject to the requirements set forth in this Appendix C, as determined by the Company in its sole discretion.

**Dividend Reinvestment.** In the event that the Company, in its discretion, declares payment of any cash dividends on Common Stock, the Participant acknowledges and agrees that the Company and/or the designated broker may use such cash dividends to automatically purchase additional Shares to be issued into the Participant's brokerage account. Any additional Shares acquired pursuant to the preceding sentence are subject to the same exchange control requirements as other Shares the Participant may hold. Any cash dividends not used to purchase Shares or pay associated costs (*e.g.*, broker fees) will be immediately repatriated to China pursuant to the procedures set by the Company in compliance with SAFE requirements.

**Exchange Control Requirement**. Pursuant to exchange control requirements in China, the Participant will be required to immediately repatriate to China any cash proceeds from the sale of the Shares acquired under the Plan or the receipt of any dividends paid on such Shares (unless immediately reinvested, as described above). The Participant understands that, under applicable laws, such repatriation of the cash proceeds may need to be effectuated through a special exchange control account established by the Company or a member of the Company Group in China, and the Participant hereby consents and agrees that any proceeds from the sale of Shares or the receipt of dividends may be transferred to such special account prior to being delivered to the Participant. The Participant also understands that the Company will deliver the proceeds to the Participant as soon as possible, but that there may be delays in distributing the funds to the Participant due to exchange control requirements. The Participant understands that the proceeds may be paid to the Participant in U.S. dollars or in local currency, at the Company's discretion. If the proceeds are paid in U.S. dollars, the Participant will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid in local currency, the Company is under no obligation to secure any particular exchange conversion rate and the Company may face delays in converting the proceeds to local currency due to exchange control restrictions.

Finally, the Participant agrees to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

***Notifications***

**Exchange Control Information.** Chinese residents may be required to report to SAFE all details of their foreign financial assets and liabilities (including Shares acquired under the Plan), as well as details of any economic transactions conducted with non-Chinese residents, either directly or through financial institutions.

## INDIA

***Notifications***

**Exchange Control Information.** The Participant understands that the Participant must repatriate any proceeds from the sale of Shares acquired under the Plan to India within such period of time as prescribed under applicable Indian exchange control laws, as may be amended from time to time. The Participant will receive a foreign inward remittance certificate ("FIRC") from the bank where the Participant deposits the foreign currency. The Participant should maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Employer requests proof of repatriation. It is the Participant's responsibility to comply with applicable exchange control laws in India.

**Foreign Asset/Account Reporting Information.** The Participant is required to declare any foreign bank accounts for which the Participant has signing authority in the Participant's annual tax return. It is the Participant's responsibility to comply with applicable tax laws in India. The Participant should consult with the Participant's personal tax advisor to ensure that the Participant is properly reporting the Participant's foreign assets and bank accounts.

## SINGAPORE

***Terms and Conditions***

**Restriction on Sale of Shares**. The RSUs are subject to section 257 of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA") and the Participant should not make any subsequent sale in Singapore, or any offer of such subsequent sale of the Shares underlying the RSUs, unless such sale or offer in Singapore is made (1) after 6 months of the grant of the RSUs to the Participant; or (2) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

***Notifications***

**Securities Law Information.** The offer of the Plan, the grant of the RSUs, and the value of underlying Shares at vesting are being made pursuant to the "Qualifying Person"

exemption under section 273(1)(f) of the SFA. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore.

**Director Notification Obligation**. Directors, associate directors or shadow directors of a Singapore member of the Company Group are subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify such entity in writing within two business days of any of the following events: (i) the acquisition or disposal of an interest (*e.g.*, RSUs granted under the Plan or Shares) in the Company or any member of the Company Group, (ii) any change in previously-disclosed interests, of (iii) becoming a director, associate director or shadow director of a member of the Company Group in Singapore, if the individual holds such an interest at that time.

## Spain

***Terms and Conditions***

**No Entitlement for Claims or Compensation.** This provision supplements Section 11 of the Restricted Stock Unit Agreement and Section 2 of the Terms and Conditions for Non-U.S. Participants:

By accepting the RSUs, the Participant consents to participation in the Plan and acknowledges that the Participant has received a copy of the Plan document.

The Participant understands that the Company has unilaterally, gratuitously and in its sole discretion decided to make grants of RSUs under the Plan to individuals who may be employees of the Company or other members of the Company Group throughout the world. The decision is limited and entered into based upon the express assumption and condition that any RSUs will not economically or otherwise bind the Company or any other member of the Company Group, including the Employer, on an ongoing basis, other than as expressly set forth in the Agreement. Consequently, the Participant understands that the RSUs are given on the assumption and condition that the RSUs shall not become part of any employment contract (whether with the Company or any other member of the Company Group, including the Employer) and shall not be considered a mandatory benefit, salary for any purpose (including severance compensation) or any other right whatsoever. Furthermore, the Participant understands and freely accepts that there is no guarantee that any benefit whatsoever shall arise from the grant of the RSUs, which is gratuitous and discretionary, since the future value of the RSUs is unknown and unpredictable.

The Participant understands and agrees that, unless otherwise expressly set forth in the Agreement, the Participant's termination of employment for any reason (including for the reasons listed below) will automatically result in the cancellation and loss of any RSUs that may have been granted to the Participant and that were not fully vested on the date of termination of employment. In particular, the Participant understands and agrees that, unless otherwise expressly set forth in the Agreement, the RSUs will be cancelled without entitlement to any proceeds or to any amount as indemnification if the Participant terminates employment by reason

of, including, but not limited to: resignation, death, disability, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause, individual or collective layoff on objective grounds, whether adjudged to be with cause or adjudged or recognized to be without cause, material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, Article 50 of the Workers' Statute, unilateral withdrawal by the Employer, and under Article 10.3 of Royal Decree 1382/1985.

The Participant also understands that the grant of RSUs would not be made but for the assumptions and conditions set forth hereinabove; thus, the Participant understands, acknowledges and freely accepts that, should any or all of the assumptions be mistaken or any of the conditions not be met for any reason, the grant of the RSUs shall be null and void.

***Notifications***

**Securities Law Information.** The RSUs do not qualify under Spanish regulations as securities. No "offer of securities to the public", as defined under Spanish law, has taken place or will take place in the Spanish territory. The Agreement (including Appendix B and this Appendix C) has not been nor will it be registered with the *Comisión Nacional del Mercado de Valores*, and does not constitute a public offering prospectus.

**Foreign Asset/Account Reporting Information.** The Participant may be subject to certain tax reporting requirements with respect to rights or assets (including cash in a bank or brokerage account) held outside of Spain with an aggregate value exceeding €50,000 per type of asset or right as of December 31 each year. Unvested awards (*e.g.*, RSUs) are not considered assets or rights for purposes of this reporting requirement. If applicable, the Participant must report the assets on Form 720 by no later than March 31 following the end of the relevant year. After the assets and/or rights are initially reported, the reporting obligation will apply only if the value of previously-reported assets or rights increases by more than €20,000 as of each subsequent December 31. The Participant should consult with the Participant's personal advisor to determine the Participant's obligations in this respect.

In addition, the Participant may be required to electronically declare to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments and any transactions with non-Spanish residents (including any payments of cash made to the Participant by the Company into a U.S. brokerage account) if the balances in such accounts together with the value of such instruments as of December 31, or the volume of transactions with non-Spanish residents during the prior or current year, exceed €1,000,000. Once the €1,000,000 threshold has been surpassed in either respect, the Participant will generally be required to report all of the Participant's foreign accounts, foreign instruments and transactions with non-Spanish residents, even if the relevant threshold has not been crossed for an individual item. The Participant will generally only be required to report on an annual basis.

**UNITED ARAB EMIRATES**

***Notifications***

**Securities Law Information.** Participation in the Plan is being offered only to Eligible Persons and is in the nature of providing equity incentives to Eligible Persons. Any documents related to participation in the Plan, including the Plan, the Agreement and any other grant documents ("RSU Documents"), are intended for distribution only to such Eligible Persons and must not be delivered to, or relied on by, any other person. The United Arab Emirates securities or financial/economic authorities have no responsibility for reviewing or verifying any RSU Documents and have not approved the RSU Documents nor taken steps to verify the information set out in them, and thus, are not responsible for their content.

The securities to which this statement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. The Participant is aware that he or she should, as a prospective stockholder, conduct his or her own due diligence on the securities. The Participant acknowledges that if he or she does not understand the contents of the RSU Documents, the Participant should consult an authorized financial advisor.

## UNITED KINGDOM

***Terms and Conditions***

**Responsibility for Taxes**. This provision supplements Section 3 of the Restricted Stock Unit Agreement and Section 1 of the Terms and Conditions for Non-U.S. Participants:

Without limitation to Section 3 of the Restricted Stock Unit Agreement or Section 1 of the Terms and Conditions for Non-U.S. Participants, the Participant agrees that the Participant is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company or the Employer or by Her Majesty's Revenue and Customs ("HMRC") (or any other tax authority or any other relevant authority). The Participant also agrees to indemnify and keep indemnified the Company and the Employer against any Tax–Related Items that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on the Participant's behalf.

Notwithstanding the foregoing, if the Participant is a director or executive officer (within the meaning of Section 13(k) of the Exchange Act), the Participant understands that he or she may not be able to indemnify the Company for the amount of any Tax-Related Items not collected from or paid by the Participant, in case the indemnification could be considered to be a loan. In this case, the Tax-Related Items not collected or paid may constitute a benefit to the Participant on which additional income tax and National Insurance contributions ("NICs") may be payable. The Participant understands that he or she will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying to the Company and/or the Employer (as appropriate) the amount of any NICs due on this additional benefit, which may also be recovered from the Participant by any of the means referred to in Section 3 of the Restricted Stock Unit Agreement or Section 1 of the Terms and Conditions for Non-U.S. Participants.

**Exhibit 10.4**

**AWARD NOTICE**
**AND**
**NONQUALIFIED STOCK OPTION AGREEMENT**

**HILTON 2017 OMNIBUS INCENTIVE PLAN**

The Participant has been granted stock options with the terms set forth in this Award Notice, and subject to the terms and conditions of the Plan and the Nonqualified Stock Option Agreement (including the terms and conditions set forth in the appendices attached thereto, the "Agreement") to which this Award Notice is attached. Capitalized terms used and not defined in this Award Notice will have the meanings set forth in the Agreement and the Plan.

| Participant Name | Number of Shares Subject to Option | Exercise Price | Vesting Schedule | Date of Grant |
|---|---|---|---|---|
| #ParticipantName# | #QuantityGranted# Shares | $#GrantPrice# | 33.33% vests on March 3 of 2022, 2023 and 2024 (each, a "vesting date") | #GrantDate# |

Vesting Schedule:

Vesting of the Option as specified in the chart above is subject to the Participant's continued employment with a member of the Company Group through the applicable vesting date. If the number of Shares is not evenly divisible by three (3), then no fractional Share will vest and the installments will be as equal as possible with the smaller installment(s) vesting first. Each such right of purchase will be cumulative and will continue, unless sooner exercised or terminated as herein provided, during the remaining period of the Option Period.

**NONQUALIFIED STOCK OPTION AGREEMENT**

**HILTON 2017 OMNIBUS INCENTIVE PLAN**

This Nonqualified Stock Option Agreement, effective as of the Date of Grant (as defined below), is between Hilton Worldwide Holdings Inc., a Delaware corporation (the "Company"), and the individual listed in the Award Notice as the "Participant". Capitalized terms have the meaning set forth in Section 25, or, if not otherwise defined herein, in the Hilton 2017 Omnibus Incentive Plan (as it may be amended, the "Plan").

**1. Grant of Options.**

(a) Effective as of the Date of Grant, the Company irrevocably grants to the Participant the right and option (the "Option") to purchase all or any part of the Shares, subject to, and in accordance with, the terms, conditions and restrictions in the Plan, the Award Notice, and this Agreement.

(b) The Option is not intended to qualify as an Incentive Stock Option within the meaning of Section 422 of the Code.

(c) This Agreement will be construed in accordance and consistent with, and subject to, the terms of the Plan (the provisions of which are incorporated herein by reference). In the event of any conflict between one or more of this Agreement, the Award Notice and the Plan, the Plan will govern this Agreement and the Award Notice, and the Agreement (to the extent not in conflict with the Plan) will govern the Award Notice.

**2. Exercise Price.** The price at which the Participant will be entitled to purchase the Shares upon the exercise of the Option will be the Exercise Price per share, subject to adjustment as provided in Section 8.

**3. Exercisability of Option.** The Option will become vested and exercisable in accordance with the schedule set forth on the Award Notice. For the avoidance of doubt, the Participant is not entitled to pro-rata vesting of the Option if the Participant is employed for only a portion of the vesting period, but no longer employed on the respective vesting date.

**4. Duration of Option.** The Option will be exercisable to the extent and in the manner provided herein for a period of ten (10) years from the Date of Grant (the "Option Period"); provided, however, that the Option may be earlier terminated as provided in Section 6 hereof.

**5. Manner of Exercise and Payment.**

(a) Subject to the terms and conditions of this Agreement and the Plan, the Option may be exercised by delivery of written or electronic notice to the Company in the manner prescribed in Section 7(d) of the Plan and as otherwise set forth by the Committee from time to time. Such notice will set forth the number of Shares in respect of which the Option is being exercised and will be signed by the person or persons exercising the Option. In the event

the Company has designated an Award Administrator (as defined below), the Option may also be exercised by giving notice (including through electronic means) in accordance with the procedures established from time to time by the Award Administrator. Any exercisable portion of the Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part, provided that partial exercise will be for whole shares of Common Stock only.

(b) Upon exercise of the Option pursuant to Section 5(a), unless otherwise determined by the Committee, the Company will withhold a number of Shares otherwise deliverable to the Participant to pay (i) the full purchase price for the Shares in respect of which the Option is being exercised and (ii) an amount necessary to satisfy applicable U.S. and non-U.S. Federal, state or local tax or other withholding requirements, if any ("Withholding Taxes") in accordance with Section 15(d) of the Plan (or, if the Participant is subject to Section 16 of the Exchange Act at such time, such amount which would not result in adverse consequences under GAAP), unless otherwise agreed to in writing by the Participant and the Company. The number of Shares to be withheld or otherwise used for payment will be calculated using the closing price per Share on the New York Stock Exchange (or other principal exchange on which the Shares then trade) on the date of determination, and will be rounded up to the nearest whole Share.

(c) Upon receipt of the notice of exercise and any payment or other documentation as may be necessary pursuant to Sections 5(a) and 5(b) relating to the Shares in respect of which the Option is being exercised, the Company will, subject to the Plan and this Agreement, take such action as may be necessary to effect the transfer to the Participant of the number of Shares as to which such exercise was effective.

(d) The Participant will not be deemed to be the holder of, or to have any of the rights and privileges of a stockholder of the Company (including the right to vote or receive dividends) in respect of, Shares purchased upon exercise of the Option until (i) the Option has been exercised pursuant to the terms of this Agreement and the Participant has paid the full purchase price for the number of Shares in respect of which the Option was exercised and any applicable Withholding Taxes and (ii) the Company has issued the Shares in connection with such exercise.

**6. Termination of Employment.**

(a) Subject to Section 6(c) or Section 6(d) below, in the event that the Participant's employment with the Company Group terminates for any reason, any unvested portion of the Option will be forfeited and all of the Participant's rights under this Agreement will terminate as of the effective date of termination (the "Termination Date") (unless otherwise provided for by the Committee in accordance with the Plan).

(b) If the Participant's employment is terminated by the Company Group for Cause or by the Participant when grounds existed for Cause at the time thereof, the vested and unvested portions of the Option will terminate as of the Termination Date.

(c) The Option will become immediately vested and exercisable as of the Termination Date as to all of the Shares subject to the Option if the Participant's employment with the Company Group is terminated:

(i) by the Company Group due to or during the Participant's Disability or due to the Participant's death; or

(ii) by the Company Group without Cause if such termination of the Participant's employment occurs within twelve (12) months following a Change in Control (for the avoidance of doubt, a Change in Control alone will not result in any vesting hereunder).

(d) In the event the Participant's employment with the Company Group terminates as a result of the Participant's Retirement after the date that is six (6) months after the Date of Grant, the Option will continue to vest and become exercisable, following the Termination Date, in accordance with the schedule set forth in the Award Notice so long as no Restrictive Covenant Violation occurs, as determined by the Committee, or its designee, in its sole discretion, prior to the applicable vesting date. As a pre-condition to the Participant's right to continued vesting following Retirement, the Committee, or its designee, may require the Participant to certify in writing prior to each applicable vesting date that no Restrictive Covenant Violation has occurred.

(e) In the event (i) the Participant's employment with the Company Group is terminated by the Company due to death or Disability, each outstanding vested Option will remain exercisable for one (1) year thereafter (but in no event beyond the Option Period), (ii) the Participant's employment is terminated due to a Retirement each outstanding vested Option (whether such Option becomes vested before, on, or after the Termination Date) will remain exercisable for five (5) years after the Termination Date (but in no event beyond the Option Period), and (iii) the Participant's employment with the Company Group is terminated for any other reason (subject to Section 6(b)), each outstanding vested Option will remain exercisable for ninety (90) days thereafter (but in no event beyond the Option Period); provided that, in each case, the Option Period will expire immediately upon the occurrence of a Restrictive Covenant Violation.

(f) The Participant's rights with respect to the Option will not be affected by any change in the nature of the Participant's employment so long as the Participant continues to be an employee of the Company Group. Whether (and the circumstances under which) employment has terminated and the determination of the Termination Date for the purposes of this Agreement will be determined by the Committee (or, with respect to any Participant who is not a director or Officer, its designee, whose good faith determination will be final, binding and conclusive; provided, that such designee may not make any such determination with respect to the designee's own employment for purposes of the Option).

**7. Repayment of Proceeds; Clawback Policy.** The Option and all proceeds related to the Option are subject to the clawback and repayment terms set forth in Section 15(v) and 15(w) of the Plan and the Company's Clawback Policy, as in effect from time to time, to the

extent the Participant is a director or Officer. In addition, if a Restrictive Covenant Violation occurs or the Company discovers after a termination of employment that grounds existed for Cause at the time thereof, then the Participant will be required, in addition to any other remedy available (on a non-exclusive basis), to pay to the Company, within ten (10) business days of the Company's request to the Participant therefor, an amount equal to the excess, if any, of (a) the aggregate after-tax proceeds (taking into account all amounts of tax that would be recoverable upon a claim of loss for payment of such proceeds in the year of repayment) the Participant received upon the sale or other disposition of, or distributions in respect of, the Options and any Shares acquired in respect thereof over (b) the aggregate Cost (if any) of such Shares. For purposes of this Agreement, "Cost" means, in respect of any Share, the amount paid by the Participant for the Share (excluding, for the avoidance of doubt, any Withholding Taxes), as proportionately adjusted for corporate transactions and other recapitalizations and less the amount of any dividends or distributions made with respect to the Share; provided that Cost may not be less than zero. Any reference in this Agreement to grounds existing for a termination of employment for Cause will be determined without regard to any notice period, cure period, or other procedural delay or event required prior to finding of or termination for, Cause.

**8. Adjustments Upon Change in Capitalization.** The terms of this Agreement, including, without limitation, (a) the number of Shares subject to the Option and (b) the Exercise Price specified herein, will be subject to adjustment in accordance with Section 13 of the Plan.

**9. Restrictive Covenants.** The Participant acknowledges and recognizes the highly competitive nature of the businesses of the Company Group, that the Participant will be allowed access to confidential and proprietary information (including, but not limited to, trade secrets) about those businesses, as well as access to the prospective and actual customers, suppliers, investors, clients and partners involved in those businesses, and the goodwill associated with the Company Group. The Participant accordingly agrees to the provisions of Appendix A to this Agreement (the "Restrictive Covenants"). For the avoidance of doubt, the Restrictive Covenants contained in this Agreement are in addition to, and not in lieu of, any other restrictive covenants or similar covenants or agreements between the Participant and the Company Group.

**10. Restrictions on Transfer.** The Participant may not assign, sell or otherwise transfer the Option or the Participant's right under the Option to receive Shares, other than in accordance with Section 15(b) of the Plan.

**11. Option Subject to Plan.** The Agreement and Option granted under this Agreement are subject to all terms and provisions of the Plan and all such terms and provisions are incorporated into this Agreement. By accepting the Option, the Participant acknowledges that the Participant has received and read the Plan and prospectus and agrees to be bound by the terms, conditions, and restrictions set forth in the Plan, this Agreement, and the Company's policies, as in effect from time to time, relating to the Plan.

**12. Governing Law; Venue.** This Agreement will be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts made and performed wholly within the State of Delaware, without giving effect to the conflict of laws provisions thereof. For purposes of litigating any dispute that arises under this Agreement, the parties

consent to and submit to the exclusive and personal jurisdiction and venue of the State of New York or the State of Delaware, and each of the Participant, the Company, and any transferees who hold a portion of the Option pursuant to a valid assignment, hereby submits to the exclusive jurisdiction of such courts for the purpose of any such suit, action, proceeding, or judgment.

**13. No Additional Rights.** By accepting this Agreement and the grant of the Option contemplated in this Agreement, the Participant expressly acknowledges that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time to the extent permitted by the Plan;

(b) the grant of the Option is exceptional, voluntary and occasional and it does not create any contractual or other right to receive future grants of options, or benefits in lieu of options, even if options have been granted in the past;

(c) all determinations with respect to future option grants, if any, including the grant date, the number of Shares granted, the exercise price and the exercise date or dates, will be at the sole discretion of the Company;

(d) the Participant's participation in the Plan is voluntary and not a condition of employment, and the Participant may decline to accept the Option without adverse consequences to the Participant's continued employment relationship with the Company Group;

(e) neither the Plan nor this Agreement nor the Participant's receipt of the Option hereunder will impose any obligation on the Company Group to continue the employment of the Participant and the Company Group may at any time terminate the employment of the Participant, free from any liability or claim under the Plan or this Agreement, except as otherwise expressly provided herein;

(f) the value of the Option is an extraordinary item that is outside the scope of the Participant's employment contract, if any, and nothing can or must automatically be inferred from such employment contract or its consequences;

(g) Options and any Shares acquired under the Plan, and the income from and value of same, are not part of normal or expected compensation for any purpose and are not to be used for calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, holiday pay, pension or retirement benefits or welfare or similar payments, and the Participant waives any claim on such basis and, for the avoidance of doubt, the Option will not constitute an "acquired right" under the applicable law of any jurisdiction;

(h) if the underlying Shares do not increase in value, the Option will have no value;

(i) if the Participant exercises the Option and acquires Shares, the value of such Shares may increase or decrease in value, even below the Exercise Price;

(j) the future value of the underlying Shares is unknown, indeterminable, and cannot be predicted with certainty; and

(k) the Participant will have no rights to compensation or damages related to Option proceeds in consequence of the Termination of the Participant's employment for any reason whatsoever and whether or not in breach of contract.

**14. Electronic Delivery and Acceptance.** This Agreement may be executed electronically and in counterparts. The Company currently delivers documents related to the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line system established and maintained by the Company or a third party designated by the Company.

**15. Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the Option and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

**16. No Advice Regarding Grant.** The Participant acknowledges and agrees that the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or the Participant's acquisition or sale of the underlying Shares. The Participant should consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

**17. Appendices For Non-U.S. Participants.** Notwithstanding any provisions in this Nonqualified Stock Option Agreement, Participants residing and/or working outside the United States will be subject to the Terms and Conditions for Non-U.S. Participants attached as Appendix B and to any Country-Specific Terms and Conditions for the Participant's country attached as Appendix C. If the Participant relocates from the United States to another country, the Terms and Conditions for Non-U.S. Participants and the applicable Country-Specific Terms and Conditions will apply to the Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Moreover, if the Participant relocates between any of the countries included in the Country-Specific Terms and Conditions, the additional terms and conditions for such country will apply to the Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Terms and Conditions for Non-U.S. Participants and the Country-Specific Terms and Conditions constitute part of this Agreement.

**18. Severability.** Should any provision of this Agreement be held by a court of competent jurisdiction to be unenforceable or invalid for any reason, the remaining provisions of

this Agreement will not be affected by such holding and will continue in full force in accordance with their terms.

**19. Waiver.** The Participant acknowledges that a waiver by the Company of breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant or any other participant in the Plan.

**20. Successors in Interest.** Any successor to the Company will have the benefits of the Company under, and be entitled to enforce, this Agreement. Likewise, the Participant's legal representative will have the benefits of the Participant under, and be entitled to enforce, this Agreement. All obligations imposed upon the Participant and all rights granted to the Company under this Agreement will be final, binding and conclusive upon the Participant's heirs, executors, administrators and successors.

**21. Award Administrator.** The Company may from time to time designate a third party (an "Award Administrator") to assist the Company in the implementation, administration and management of the Plan and any Options granted thereunder, including by sending award notices on behalf of the Company to Participants, and by facilitating through electronic means acceptance of Agreement by Participants and Option exercises by Participants.

**22. Book Entry Delivery of Shares.** Whenever reference in this Agreement is made to the issuance or delivery of certificates representing one or more Shares, the Company may elect to issue or deliver such Shares in book entry form in lieu of certificates.

**23. Acceptance and Agreement by the Participant; Forfeiture upon Failure to Accept.** The Participant's rights under the Option will lapse ninety (90) days from the Date of Grant, and the Option will be forfeited on such date if the Participant will not have accepted this Agreement by such date. For the avoidance of doubt, the Participant's failure to accept this Agreement will not affect the Participant's continuing obligations under any other agreement between the Company and the Participant.

**24. Definitions.** The following terms have the following meanings for purposes of this Agreement:

(a) "Agreement" means this Nonqualified Stock Option Agreement including (unless the context otherwise requires) the Award Notice, Appendix A, and the appendices for non-U.S. Participants attached hereto as Appendix B and Appendix C.

(b) "Award Notice" means the notice to the Participant.

(c) "Exercise Price" means the "Exercise Price" listed in the Award Notice.

(d) "Date of Grant" means the "Date of Grant" listed in the Award Notice.

(e) "Officer" means "officer" as defined under Rule 16a-1(f) of the Exchange Act.

(f) "Participant" means the "Participant" listed in the Award Notice.

(g) "Restrictive Covenant Violation" means the Participant's breach of the Restrictive Covenants listed on Appendix A or any covenant regarding confidentiality, competitive activity, solicitation of the Company Group's vendors, suppliers, customers, or employees, or any similar provision applicable to or agreed to by the Participant.

(h) "Retirement" means a termination of the Participant's employment with the Company Group for any reason, whether by the Participant or by the Company Group, following the date on which (i) the Participant attained the age of 55 years old, and (ii) the number of completed years of the Participant's continuous employment with the Company Group is at least 10; provided, however, that a termination of the Participant's employment (w) by the Company Group for Cause, (x) by the Company Group, or the Participant, in either case, while grounds for Cause exist, (y) due to the Participant's death, or (z) due to or during the Participant's Disability, in each case, will not constitute a Retirement for the purposes of this Agreement, regardless of whether such termination occurs following the date on which the age and service requirements set forth in clauses (i) and (ii) have been satisfied.

(i) "Shares" means the number of shares of Common Stock listed in the Award Notice as "Number of Shares Subject to Option".

[*Signatures follow*]

HILTON WORLDWIDE HOLDINGS INC.

By: /s/ Christopher J. Nassetta
Christopher J. Nassetta
Chief Executive Officer

By: /s/ Laura Fuentes
Laura Fuentes
Executive Vice President and Chief Human Resources Officer

Acknowledged and Agreed
as of the date first written above:

#Signature#

_____
Participant Signature

**APPENDIX A**

**Restrictive Covenants**

**1. Non-Competition; Non-Solicitation.**

(a) Participant acknowledges and recognizes the highly competitive nature of the businesses of the Company Group and accordingly agrees as follows:

(i) While the Participant is employed by the Company Group (the "Employment Term") and for a period that ends on the later to occur of (A) the first anniversary of the Termination Date or (B) the last day on which any portion of the Award granted under this Agreement is eligible to vest if Participant ceases to perform services on behalf of the Company Group as a result of the Participant's Retirement (such period, the "Restricted Period"), Participant will not, whether on Participant's own behalf or on behalf of or in conjunction with any person, firm, partnership, joint venture, association, corporation or other business organization, entity or enterprise whatsoever ("Person"), directly or indirectly solicit or assist in soliciting away from the Company the business of any then current or prospective client or customer with whom Participant (or his or her direct reports) had personal contact or dealings on behalf of the Company during the one-year period preceding the Termination Date.

(ii) During the Restricted Period, Participant will not directly or indirectly:

(A) engage in the Business providing services in the nature of the services Participant provided to any member of the Company Group at any time in the one year prior to the Termination Date, for a Competitor (as defined below) in the Restricted Area (as defined below);

(B) enter the employ of, or render any services to, a Competitor in the Restricted Area, except where such employment or services do not relate in any manner to the Business;

(C) acquire a financial interest in, or otherwise become actively involved with, a Competitor in the Restricted Area, directly or indirectly, as an individual, partner, shareholder, officer, director, principal, agent, trustee or consultant; or

(D) intentionally and adversely interfere with, or attempt to adversely interfere with, business relationships between the members of the Company Group and any of their clients, customers, suppliers, partners, members or investors.

(iii) Notwithstanding anything to the contrary in this Appendix A, Participant may, directly or indirectly own, solely as an investment, securities of any

Person engaged in a Business (including, without limitation, a Competitor) which are publicly traded on a national or regional stock exchange or on the over-the-counter market if Participant (A) is not a controlling person of, or a member of a group which controls, such person and (B) does not, directly or indirectly, own 2% or more of any class of securities of such Person.

(iv) During the Restricted Period, Participant will not, whether on Participant's own behalf or on behalf of or in conjunction with any Person or entity, directly or indirectly solicit or encourage any employee of the Company Group to leave the employment of the Company Group or hire any employee who was employed by the Company Group as of the Termination Date, provided that this prohibition does not apply to (i) administrative personnel employed by the Company or (ii) any Company employee who is hired away from the Company as a result of responding to a generic job posting on a website or in a newspaper or periodical of general circulation, without any involvement or encouragement by Participant.

(v) During the Restricted Period, the Participant will not, whether on the Participant's own behalf or on behalf of or in conjunction with any Person, directly and intentionally encourage any consultant of the Company to cease working with the Company.

(vi) For purposes of this Agreement:

(A) "Business" means the business of owning, operating, managing and/or franchising hotel and lodging properties.

(B) "Competitor" means any Person engaged in the Business, including, but not limited to, Accor Group, AirBnB Inc., Best Western International, Carlson Hospitality Worldwide, Choice Hotels International, G6 Hospitality LLC, Host Hotels & Resorts, Inc., Hyatt Hotels Corporation, InterContinental Hotels Group Plc, LQ Management LLC, Marriott International, Inc., Wyndham Hotels & Resorts, Inc. and Wynn Resorts, Limited.

(C) "Restricted Area" means the United States and any country in which the Company is engaged in the Business or where the Participant knows or should know the Company has taken steps to engage in the Business.

(b) It is expressly understood and agreed that although Participant and the Company consider the restrictions contained in this Section 1 to be reasonable, if a judicial determination is made by a court of competent jurisdiction that the time or territory or any other restriction contained in this Appendix A is an unenforceable restriction against Participant, the provisions of this Appendix A will not be rendered void but will be deemed amended to apply as to such maximum time and territory and to such maximum extent as such court may judicially determine or indicate to be enforceable. Alternatively, if any court of competent jurisdiction finds that any restriction contained in this Appendix A is unenforceable, and such restriction

cannot be amended so as to make it enforceable, such finding will not affect the enforceability of any of the other restrictions contained herein.

(c) The period of time during which the provisions of this Section 1 will be in effect will be extended by the length of time during which Participant is in breach of the terms hereof as determined by any court of competent jurisdiction on the Company's application for injunctive relief.

(d) Notwithstanding the foregoing, if Participant's principal place of employment on the Date of Grant is located in California or any other jurisdiction where any provision of this Section 1 is prohibited by applicable law, then the provisions of this Section 1 will not apply following the Termination Date to the extent any such provision is prohibited by applicable law.

**2. Confidentiality; Non-Disparagement; Intellectual Property; Protected Rights.**

(a) Confidentiality.

(i) Participant will not at any time (whether during or after the Employment Term) (x) retain or use for the benefit, purposes or account of Participant or any other Person; or (y) disclose, divulge, reveal, communicate, share, transfer or provide access to any Person outside the Company Group (other than its professional advisers who are bound by confidentiality obligations or otherwise in performance of Participant's duties during the Employment Term and pursuant to customary industry practice), any non-public, proprietary or confidential information (including, without limitation, trade secrets, know-how, research and development, software, databases, inventions, processes, formulae, technology, designs and other intellectual property, information concerning finances, investments, profits, pricing, costs, products, services, vendors, customers, clients, partners, investors, personnel, compensation, recruiting, training, advertising, sales, marketing, promotions, government and regulatory activities and approvals) concerning the past, current or future business, activities and operations of any member of the Company Group and/or any third party that has disclosed or provided any of same to any member of the Company Group on a confidential basis ("Confidential Information") without the prior written authorization of the Board or its designee.

(ii) "Confidential Information" does not include any information that is (a) generally known to the industry or the public other than as a result of Participant's breach of this covenant; (b) made legitimately available to Participant by a third party without breach of any confidentiality obligation of which Participant has knowledge; or (c) required by law to be disclosed; provided that, unless otherwise provided under applicable law, with respect to subsection (c) Participant is required to give prompt written notice to the Company of such requirement, disclose no more information than is so required, and reasonably cooperate with any attempts by the Company to obtain a protective order or similar treatment.

(iii) Upon termination of Participant's employment with the Company Group for any reason, Participant agrees to (x) cease and not thereafter commence use of any Confidential Information or intellectual property (including without limitation, any patent, invention, copyright, trade secret, trademark, trade name, logo, domain name or other source indicator) owned or used by any member of the Company Group; and (y) immediately destroy, delete, or return to the Company, at the Company's option, all originals and copies in any form or medium (including memoranda, books, papers, plans, computer files, letters and other data) in Participant's possession or control (including any of the foregoing stored or located in Participant's office, home, laptop or other computer, whether or not Company Group property) that contain Confidential Information, except that Participant may retain only those portions of any personal notes, notebooks and diaries that do not contain any Confidential Information.

(b) Non-Disparagement. During the Employment Term and at all times thereafter, the Participant will not directly, or through any other Person, make any public or private statements that are disparaging of the Company, its affiliates or subsidiaries, or their respective businesses or employees, officers, directors, or stockholders, or any product or service offered by any member of the Company Group; provided, however, that nothing contained in this Section 2(b) precludes Participant from providing truthful testimony in any legal proceeding, or making any truthful statement (i) to any governmental agency in accordance with Section 2(d) hereof; (ii) as required or permitted by applicable law or regulation; or (iii) as required by court order or other legal process.

(c) Intellectual Property.

(i) If Participant has created, invented, designed, developed, contributed to or improved any works of authorship, inventions, intellectual property, materials, documents or other work product (including without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content, or audiovisual materials) ("Works"), either alone or with third parties, prior to the commencement of the Employment Term, that are relevant to or implicated by such employment ("Prior Works"), Participant hereby grants the Company a perpetual, non-exclusive, royalty-free, worldwide, assignable, sublicensable license under all rights and intellectual property rights (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) therein for all purposes in connection with the Company Group's current and future business.

(ii) If Participant creates, invents, designs, develops, contributes to or improves any Works, either alone or with third parties, at any time during the Employment Term and within the scope of such employment and with the use of any Company Group resources ("Company Works"), Participant agrees to promptly and fully disclose such Company Works to the Company and hereby irrevocably assigns, transfers and conveys, to the maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property,

copyright, trademark, trade secret, unfair competition and related laws) to the Company to the extent ownership of any such rights does not vest originally in the Company.

(iii) Participant agrees to take all reasonably requested actions and execute all reasonably requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Company in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the Company's rights in the Prior Works and Company Works. If the Company is unable for any other reason, after reasonable attempt, to secure Participant's signature on any document for this purpose, then Participant hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Participant's agent and attorney in fact, to act for and on Participant's behalf and stead to execute any documents and to do all other lawfully permitted acts required in connection with the foregoing.

(iv) Participant agrees not to improperly use for the benefit of, bring to any premises of, divulge, disclose, communicate, reveal, transfer or provide access to, or share with any member of the Company Group any confidential, proprietary or non-public information or intellectual property relating to a former employer or other third party without the prior written permission of such third party. Participant agrees to comply with all relevant policies and guidelines of the Company Group that are from time to time previously disclosed to Participant, including regarding the protection of Confidential Information and intellectual property and potential conflicts of interest. Participant acknowledges that any member of the Company Group may amend any such policies and guidelines from time to time, and that Participant remains at all times bound by their most current version from time to time previously disclosed to Participant.

(d) Protected Rights. Nothing contained in this Agreement limits (i) Participant's ability to disclose any information to governmental agencies or commissions as may be required by law, or (ii) Participant's right to communicate, cooperate or file a complaint with any U.S. federal, state or local governmental or law enforcement branch, agency or entity (collectively, a "Governmental Entity") with respect to possible violations of any U.S. federal, state or local law or regulation, or otherwise make disclosures to any Governmental Entity, in each case, that are protected under the whistleblower provisions of any such law or regulation, provided that in each case such communications and disclosures are consistent with applicable law, or (iii) Participant's right to receive an award from a Governmental Entity for information provided under any whistleblower program, without notice to the Company. This Agreement does not limit Participant's right to seek and obtain a whistleblower award for providing information relating to a possible securities law violation to the Securities and Exchange Commission. The Participant shall not be held criminally or civilly liable under any U.S. federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a U.S. federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If the Participant files a lawsuit for retaliation by an employer for reporting a suspected violation of law the Participant may disclose

the trade secret to the attorney of the Participant and use the trade secret information in the court proceeding, if the Participant files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order. The Participant is not be required to give prior notice to (or get prior authorization from) the Company regarding any such communication or disclosure. Except as otherwise provided in this paragraph or under applicable law, under no circumstance is the Participant authorized to disclose any information covered by the Company's or any other member of the Company Group's attorney-client privilege or attorney work product or the Company's or any other member of the Company Group's trade secrets without the prior written consent of the Company.

(e) Injunctive Relief; Other Remedies for Breach. The Participant acknowledges and agrees that a violation of any of the terms of this Appendix A will cause the Company irreparable injury for which adequate remedy at law is not available. Accordingly, it is agreed that the Company may seek an injunction, restraining order or other equitable relief to prevent breaches of the provisions of this Appendix A and to enforce specifically the terms and provisions hereof in any court of competent jurisdiction in the United States or any state thereof, in addition to any other remedy to which it may be entitled at law or equity. Additionally, in the event the Participant breaches the terms of this Appendix A, the Participant shall be deemed to have engaged in Detrimental Activity (as defined in the Plan) and the provisions set forth in Section 15(w) of the Plan shall apply.

The provisions of Section 2 hereof will survive the termination of the Participant's employment for any reason.

**APPENDIX B**

**HILTON 2017 OMNIBUS INCENTIVE PLAN**
**NONQUALIFIED STOCK OPTION AGREEMENT**

**TERMS AND CONDITIONS FOR NON-U.S. PARTICIPANTS**

Capitalized terms used but not otherwise defined herein shall have the meaning given to such terms in the Plan and the Nonqualified Stock Option Agreement. For the avoidance of doubt, all provisions of the Nonqualified Stock Option Agreement and the Award Notice apply to Non-U.S. Participants except to the extent supplemented or modified by this Appendix B or Appendix C.

**1. Responsibility for Taxes. This provision supplements Section 5(b) of the Nonqualified Stock Option Agreement:**

(a) The Participant acknowledges that, regardless of any action taken by the Company or, if different, the Participant's employer (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally or deemed legally applicable to the Participant ("Tax-Related Items") is and remains the Participant's responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option, including, but not limited to, the grant, vesting or exercise of the Option, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends and/or any other distributions; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Option to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if the Participant is subject to Tax-Related Items in more than one jurisdiction, the Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant taxable or tax withholding event, as applicable, the Participant agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Participant authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by:

(i) withholding from the Participant's wages, salary, or other cash compensation payable to the Participant by the Company, the Employer, or any other member of the Company Group;

(ii) withholding from proceeds of the sale of Shares acquired at exercise of the Option either through a voluntary sale or through a mandatory sale

arranged by the Company (on the Participant's behalf pursuant to this authorization without further consent); or

(iii) withholding in Shares to be issued upon exercise of the Option;

provided, however, that if the Participant is subject to Section 16 of the Exchange Act, then the Company will withhold in Shares upon the relevant taxable or tax withholding event, as applicable, unless the use of such withholding method is problematic under applicable law or has materially adverse accounting consequences, in which case, the obligation for Tax-Related Items may be satisfied by one or a combination of methods (i) and (ii) above.

(c) The Company may withhold or account for Tax-Related Items by considering statutory withholding amounts or other applicable withholding rates, including maximum rates applicable in the Participant's jurisdiction(s). In the event of over-withholding, the Participant may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Common Stock ) from the Company or the Employer; otherwise, the Participant may be able to seek a refund from the local tax authorities. In the event of under-withholding, the Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer. If the withholding obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the portion of the Option that is exercised, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items

(d) The Participant agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares if the Participant fails to comply with the Participant's obligations in connection with the Tax-Related Items.

(e) Notwithstanding anything to the contrary in the Plan or in Section 6(b) of the Nonqualified Stock Option Agreement, if the Company is required by applicable law to use a particular definition of fair market value for purposes of calculating the taxable income for the Participant, the Company shall have the discretion to calculate any Shares to be withheld to cover any withholding obligation for Tax-Related Items by using either the price used to calculate the taxable income under applicable law or by using the closing price per Share on the New York Stock Exchange (or other principal exchange on which the Shares then trade) on the trading day immediately prior to the date of delivery of the Shares.

**2. Nature of Grant. This provision supplements Section 13 of the Nonqualified Stock Option Agreement:**

By accepting the grant of the Option, the Participant acknowledges, understands and agrees that:

(a) the Option grant and the Participant's participation in the Plan shall not create a right to employment and shall not be interpreted as forming or amending an employment contract with any member of the Company Group;

(b) the Option and the Shares subject to the Option, and the income from and value of same, are not intended to replace any pension rights or compensation;

(c) unless otherwise agreed with the Company, the Option and the Shares subject to the Option, and the income from and value of same, are not granted as consideration for, or in connection with, the service the Participant may provide as a director of any member of the Company Group;

(d) for purposes of the Option, the Termination Date shall be the date the Participant is no longer actively providing services to any member of the Company Group (regardless of the reason for such termination and whether or not later to be found invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any), and such date will not be extended by any notice period (*e.g.*, the Participant's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under applicable laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any); the Committee shall have the exclusive discretion to determine when the Participant is no longer actively providing services for purposes of the Option (including whether the Participant may still be considered to be providing services while on a leave of absence);

(e) unless otherwise provided in the Plan or by the Company in its discretion, the Option and the benefits evidenced by this Agreement do not create any entitlement to have the Option or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Common Stock; and

(f) no member of the Company Group shall be liable for any foreign exchange rate fluctuation between the Participant's local currency and the United States Dollar that may affect the value of the Option or of any amounts due to the Participant pursuant to the exercise of the Option or the subsequent sale of any Shares acquired upon exercise.

**3. Insider Trading Restrictions/Market Abuse Laws.** The Participant acknowledges that, depending on his or her country, the broker's country, or the country in which the Shares are listed, the Participant may be subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions, which may affect his or her ability to, directly or indirectly, accept, acquire, sell, or attempt to sell or otherwise dispose of Shares, rights to Shares (e.g., Options), or rights linked to the value of Shares during such times as the Participant is considered to have "inside information" regarding the Company (as defined by the laws and/or regulations in the applicable jurisdictions or the Participant's country). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Participant places before possessing the inside information. Furthermore, the Participant may be prohibited from (i) disclosing the inside information to any third party, including fellow employees (other than on

a “need to know” basis) and (ii) “tipping” third parties or causing them to otherwise buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant is responsible for ensuring compliance with any applicable restrictions and should consult his or her personal legal advisor on this matter.

**4. Foreign Asset/Account Reporting; Exchange Controls.** The Participant’s country may have certain foreign asset and/or account reporting requirements and/or exchange controls that may affect the Participant’s ability to acquire or hold Shares under the Plan or cash received from participating in the Plan (including from any dividends received or sale proceeds arising from the sale of Shares) in a brokerage or bank account outside the Participant’s country. The Participant may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country. The Participant also may be required to repatriate sale proceeds or other cash received as a result of the Participant’s participation in the Plan to his or her country through a designated bank or broker and/or within a certain time after receipt. The Participant acknowledges that it is his or her responsibility to be compliant with such regulations, and the Participant is advised to consult his or her personal legal advisor for any details.

**5. Termination of Employment. This provision supplements Section 6(d) of the Nonqualified Stock Option Agreement:**

Notwithstanding any provision of the Agreement, if the Company receives a legal opinion that there has been a legal judgment and/or legal development in the Participant’s jurisdiction that likely would result in the favorable treatment that applies to the Option when the Participant terminates employment as a result of the Participant’s Retirement being deemed unlawful and/or discriminatory, the provisions of Section 6(d) regarding the treatment of the Option when the Participant terminates employment as a result of the Participant’s Retirement shall not be applicable to the Participant and the remaining provisions of this Section 6 shall govern.

**6. Compliance with Law.** Notwithstanding any provision of the Plan or this Agreement, unless there is an exemption from any registration, qualification or other legal requirement applicable to the Shares, the Company shall not be required to deliver any Shares issuable upon exercise of the Option prior to the completion of any registration or qualification of the Shares under any U.S. or non-U.S. federal, state or local securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission (“SEC”) or any other governmental regulatory body, or prior to obtaining any approval or other clearance from any U.S. or non-U.S. federal, state or local governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Participant understands that the Company is under no obligation to register or qualify the Shares with the SEC or any state or non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, the Participant agrees that the Company shall have unilateral authority to amend the Agreement without the Participant’s consent, to the extent necessary to comply with securities or other laws applicable to the issuance of Shares.

**7. Language.** By accepting the Agreement, the Participant acknowledges and represents that the Participant is sufficiently proficient in the English language, or has consulted with an advisor who is sufficiently proficient in English, so as to allow the Participant to understand the terms of the Agreement and any other documents related to the Plan. If the Participant has received a copy of this Agreement (or the Plan or any other document related hereto or thereto) translated into a language other than English, such translated copy is qualified in its entirety by reference to the English version of the Plan, and in the event of any conflict the English version will govern.

**APPENDIX C**

**HILTON 2017 OMNIBUS INCENTIVE PLAN**
**NONQUALIFIED STOCK OPTION AGREEMENT**

**COUNTRY-SPECIFIC TERMS AND CONDITIONS**

Capitalized terms used but not otherwise defined herein shall have the meaning given to such terms in the Plan, the Nonqualified Stock Option Agreement and the Terms and Conditions for Non-U.S. Participants.

***Terms and Conditions***

This Appendix C includes additional terms and conditions that govern the Option if the Participant resides and/or works in one of the countries listed below. If the Participant is a citizen or resident of a country (or is considered as such for local law purposes) other than the one in which the Participant is currently residing and/or working or if the Participant moves to another country after receiving the grant of the Option, the Company will, in its discretion, determine the extent to which the terms and conditions herein will be applicable to the Participant.

***Notifications***

This Appendix C also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of February 2021. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Participant not rely on the information in this Appendix C as the only source of information relating to the consequences of the Participant's participation in the Plan because the information may be out of date at the time that the Option is exercised or the Participant sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Participant's particular situation and the Company is not in a position to assure the Participant of a particular result. Accordingly, the Participant should seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to the Participant's situation.

If the Participant is a citizen or resident of a country other than the one in which the Participant is currently residing and/or working (or if the Participant is considered as such for local law purposes) or if the Participant moves to another country after receiving the grant of the Option, the information contained herein may not be applicable to the Participant in the same manner.

**DATA PRIVACY PROVISIONS FOR PARTICIPANTS IN ALL COUNTRIES OUTSIDE THE U.S.**

Data Privacy Notice for Participants in the European Union / European Economic Area / Switzerland / United Kingdom ("EEA+")

Pursuant to applicable data protection laws, the Participant is hereby notified that the Company collects, processes, uses and transfers certain personally-identifiable information about the Participant for the exclusive purpose of granting RSUs and implementing, administering and managing the Participant's participation in the Plan. Specifics of the data processing are described below.

**Controller and Representative in the United Kingdom and European Union**. Unless stated otherwise below, the Company is the controller responsible for the processing of the Participant's Personal Data (as defined below) in connection with the Plan.

The Company's representative in the United Kingdom is:

Hilton UK Hotels Ltd.
Hilton Legal Department
Maple Court, Central Park, Reeds Crescent
Watford, Hertfordshire WD24 4QQ
United Kingdom
Via email: DataProtectionOffice@hilton.com

The Company's representative in the European Union is:

Hilton International Nederland BV
Amsterdam Hilton
Apollolaan 138
1077 BG
Amsterdam
Netherlands
Via email: DataProtectionOffice@hilton.com

**Purposes and Legal Bases of Processing**. The Company processes the Personal Data (as defined below) for the purpose of performing its contractual obligations under the Nonqualified Stock Option Agreement, granting Options, implementing, administering and managing the Participant's participation in the Plan and facilitating compliance with applicable law. The legal basis for the processing of the Personal Data (as defined below) by the Company and the thirdparty service providers described below is the necessity of the data processing for the Company to perform its contractual obligations under the Nonqualified Stock Option Agreement and for the Company's legitimate business interests of managing the Plan and generally administering the Option.

**Personal Data Subject to Processing**. The Company collects, processes and uses the following types of personal data about the Participant: The Participant's name, home address, email address, date of birth, social insurance, passport number or other identification number, any shares of stock or directorships held in the Company, details of all Options or any other entitlement to Shares awarded, canceled, settled, vested, unvested or outstanding in the Participant's favor, which the Company receives from the Participant or the Employer ("Personal Data").

**Stock Plan Administration Service Providers**. The Company transfers Personal Data to Fidelity Stock Plan Services and certain of its affiliated companies (collectively, "Fidelity"), an independent stock plan administrator with operations, relevant to the Company, in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select different service providers and may share Personal Data with such service providers. The Company's stock plan administrators will open an account for the Participant to receive and trade Shares. The Participant will be asked to agree on separate terms and data processing practices with the service provider, which is a condition of the Participant's ability to participate in the Plan. The Participant's Personal Data will only be accessible by those individuals requiring access to it for purposes of implementing, administering and operating the Participant's participation in the Plan. The Participant understands that the Participant may request a list with the names and addresses of any potential recipients of Personal Data by contacting Hilton's Data Protection Officer as follows:

Hilton Office of the Data Protection Officer
7930 Jones Branch Drive
McLean, VA 22102 USA
Via email: DataProtectionOffice@hilton.com

**Other Recipients.** The Company may further transfer Personal Data to other third party service providers, if necessary to ensure compliance with applicable tax, exchange control, securities and labor laws. Such third party service providers may include the Company's outside legal counsel as well as the Company's auditor. Wherever possible, the Company will anonymize data, but the Participant understands that his or her Personal Data may need to be transferred to such providers to ensure compliance with applicable law and/or tax requirements.

**International Data Transfers**. The Company and its service providers, including, without limitation, Fidelity, operate, relevant to the Company, in the United States, which means that it will be necessary for Personal Data to be transferred to, and processed in, the United States. The Participant understands and acknowledges that the United States is not subject to an unlimited adequacy finding by the European Commission and that the Participant's Personal Data may not have an equivalent level of protection as compared to the Participant's country of residence. The legal basis for the transfer of the Personal Data to the Company and the thirdparty service providers described above is the necessity of the data transfer for the Company to perform its contractual obligations under the Agreement.

**Data Retention**. The Company will use the Personal Data only as long as necessary to implement, administer and manage the Participant's participation in the Plan, or as

required to comply with legal or regulatory obligations, including tax, exchange control, labor and securities laws. This means that the Participant's Personal Data may be retained even after the Termination Date.

**Data Subject Rights**. To the extent provided by law, the Participant has the right to: (i) request access to and obtain a copy of the Personal Data; (ii) request rectification (or correction) of Personal Data that is inaccurate; (iii) request erasure (or deletion) of Personal Data that is no longer necessary to fulfill the purposes for which it was collected, or does not need to be retained by the Company for other legitimate purposes; (iv) restrict or object to the processing of the Personal Data; and (v) if applicable, request the Participant's Personal Data be ported (transferred) to another company.

Subject to the applicable data protection laws, application of the above rights may vary depending on the type of data involved, and the Company's particular basis for processing the Personal Data.

To receive clarification or make a request to exercise one of the above rights, the Participant can contact Hilton's Data Protection Officer as follows:

Hilton Office of the Data Protection Officer
7930 Jones Branch Drive
McLean, VA 22102 USA
Via email: DataProtectionOffice@hilton.com

**Contractual Requirement**. The Participant's provision of Personal Data, its processing and transfer as described above is a contractual requirement and a condition to the Participant's ability to participate in the Plan. The Participant understands that, as a consequence of the Participant's refusing to provide Personal Data, the Company may not be able to allow the Participant to participate in the Plan, grant Options to the Participant or administer or maintain such Options. However, the Participant's participation in the Plan and his or her acceptance of this Nonqualified Stock Option Agreement are purely voluntary. While the Participant will not receive Options if he or she decides against participating in the Plan or providing Personal Data as described above, the Participant's career and salary will not be affected in any way. For more information on the consequences of the refusal to provide Personal Data, the Participant may contact Hilton's Legal Privacy Office as follows:

Hilton Legal Privacy Office
7930 Jones Branch Drive
McLean, VA 22102, USA
Via email: Privacy@hilton.com

**How to Contact Us.** For copies of additional privacy documents mentioned in this Agreement, or if the Participant has privacy concerns or questions related to this Agreement, the Participant may contact the Company at Hilton Legal Privacy Office, 7930 Jones Branch Drive, McLean, VA 22102, USA.

***Data Privacy Consent for Participants outside the EEA+ and the U.S.***

***The Participant acknowledges and agrees to the collection, use and transfer, in electronic or other form, of the Participant's personal data as described in the Agreement and any other Option grant materials by and among, as applicable, the Company and the Employer, for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan. The Participant understands that the Company may hold certain personal information about the Participant, including, but not limited to, the Participant's name, home address, e-mail address, and telephone number, work location and phone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, hire date, any shares of stock or directorships held in the Company, details of all awards or any other entitlement to shares awarded, cancelled, exercised, vested, unvested or outstanding in the Participant's favor, for the purpose of implementing, administering and managing the Participant's participation in the Plan ("Data").***

***The Participant understands that Data will be transferred to Fidelity Stock Plan Services and certain of its affiliated companies ("Fidelity") which is assisting the Company in the implementation, administration and management of the Plan (or any other third party service provider which may assist the Company in the future), that these recipients may be located in the Participant's country or elsewhere, and that the recipient's country may have different data privacy laws and protections than the Participant's country. The Participant understands that the Participant may request a list with the names and addresses of any potential recipients of the Data by contacting the Participant's local human resources representative. The Participant authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Participant's participation in the Plan. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's participation in the Plan. The Participant understands that the Participant may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Participant's local human resources representative.***

***The Participant understands that the Participant is providing the consents herein on a purely voluntary basis. If the Participant does not consent, or if the Participant later seeks to revoke the Participant's consent, the Participant's employment status or service with the Employer will not be affected; the only consequence of the Participant's refusing or withdrawing the Participant's consent is that the Company would not be able to grant Options or other equity awards to the Participant or administer or maintain such awards. Therefore, the Participant understands that refusing or withdrawing the Participant's consent may affect the Participant's ability to participate in the Plan. For more information on the consequences of Participant's refusal to consent or withdrawal of consent, the Participant understands that the Participant may contact the Participant's local human resources representative.***

***Finally, the Participant understands that the Company may rely on a different basis for the processing or transfer of Data in the future and/or request that the Participant provide another data privacy consent. If applicable, the Participant agrees that upon request of the Company or the Employer, the Participant will provide an executed acknowledgement or data privacy consent form (or any other agreements or consents) that the Company and/or the Employer may deem necessary to obtain from the Participant for the purpose of administering the Participant's participation in the Plan in compliance with the data privacy laws in the Participant's country, either now or in the future. The Participant understands and agrees that the Participant will not be able to participate in the Plan if the Participant fails to provide any such consent or agreement requested by the Company and/or the Employer.***

## CHINA

***Terms and Conditions***

*The following provisions apply if the Participant is subject to exchange control restrictions and regulations in China, including the requirements imposed by the State Administration of Foreign Exchange ("SAFE"), as determined by the Company in its sole discretion:*

**SAFE Approval Requirement**. Notwithstanding any provision in the Agreement, the Option shall not vest nor be exercisable until all necessary exchange control and other approvals from SAFE or its local counterpart have been received by the Company or one of the members of the Company Group in China under applicable exchange control rules with respect to the Plan and the options granted thereunder. Further, the Company is under no obligation to permit vesting and exercise of the Option or to issue Shares, if SAFE approval is obtained but subsequently becomes invalid or ceases to be in effect by the time the Participant exercises the Option.

**Termination of Employment**. Notwithstanding any provision in the Agreement, if the Participant's employment terminates for any reason, the Option will expire ninety (90) days after the Termination Date (or, if earlier, at the expiration of the Option Period). Further, any Shares held by the Participant at the time of termination of employment must be sold by the Participant within ninety (90) days after the Termination Date. If not sold by the Participant within such timeframe, the Company will force the sale of the Shares as described in the Restriction on Sale of Shares section below.

**Form of Payment for Options**. Notwithstanding Section 5 of the Nonqualified Stock Option Agreement, the Participant may pay the Exercise Price only by using a cashless exercise (or same-day sale) exercise procedure whereby the Participant instructs a broker to immediately sell a number of Shares subject to the Option and use the sale proceeds to cover the Exercise Price. The Company reserves the right to provide the Participant with additional methods of payment depending on the development of local law.

**Restriction on Sale of Shares**. Due to local regulatory requirements, the Company reserves the right to force the sale of any Shares issued upon exercise of the Option. The sale may occur (i) immediately upon issuance, (ii) following the Participant's termination of employment, (iii) following the Participant's transfer of employment to the Company, or a member of the Company Group outside of China, or (iv) within any other timeframe as the Company determines to be necessary or advisable to comply with local regulatory requirements. The Participant is required to maintain any Shares acquired under the Plan in an account at a broker designated by the Company ("Designated Account") and any Shares deposited into the Designated Account cannot be transferred out of the Designated Account unless and until they are sold.

In order to facilitate the foregoing, the Company is authorized to instruct its designated broker to assist with the sale of the Shares (on the Participant's behalf pursuant to this authorization without further consent) and the Participant expressly authorizes the Company's

designated broker to complete the sale of such Shares. The Participant acknowledges that the Company's designated broker is under no obligation to arrange for the sale of the Shares at any particular price. Upon the sale of the Shares, the Company will pay to the Participant the cash proceeds from the sale, less any brokerage fees or commissions and subject to any obligation to satisfy Tax-Related Items. If the Shares acquired under the Plan are sold, the repatriation requirements described below shall apply.

Employees transferring from outside of China to a member of the Company Group in China and employees transferring from a member of the Company Group in China out of China may become or remain subject to the requirements set forth in this Appendix C, as determined by the Company in its sole discretion.

**Dividend Reinvestment.** In the event that the Company, in its discretion, declares payment of any cash dividends on Common Stock, the Participant acknowledges and agrees that the Company and/or the designated broker may use such cash dividends to automatically purchase additional Shares to be issued into the Participant's brokerage account. Any additional Shares acquired pursuant to the preceding sentence are subject to the same exchange control requirements as other Shares the Participant may hold. Any cash dividends not used to purchase Shares or pay associated costs (*e.g.*, broker fees) will be immediately repatriated to China pursuant to the procedures set by the Company in compliance with SAFE requirements.

**Exchange Control Requirement**. Pursuant to exchange control requirements in China, the Participant will be required to immediately repatriate to China any cash proceeds from the sale of the Shares acquired under the Plan or the receipt of any dividends paid on such Shares (unless immediately reinvested, as described above). The Participant understands that, under applicable laws, such repatriation of the cash proceeds may need to be effectuated through a special exchange control account established by the Company or a member of the Company Group in China, and the Participant hereby consents and agrees that any proceeds from the sale of Shares or the receipt of dividends may be transferred to such special account prior to being delivered to the Participant. The Participant also understands that the Company will deliver the proceeds to the Participant as soon as possible, but that there may be delays in distributing the funds to the Participant due to exchange control requirements. The Participant understands that the proceeds may be paid to the Participant in U.S. dollars or in local currency, at the Company's discretion. If the proceeds are paid in U.S. dollars, the Participant will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid in local currency, the Company is under no obligation to secure any particular exchange conversion rate and the Company may face delays in converting the proceeds to local currency due to exchange control restrictions.

Finally, the Participant agrees to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

*Notifications*

**Exchange Control Information.** Chinese residents may be required to report to SAFE all details of their foreign financial assets and liabilities (including Shares acquired under the Plan), as well as details of any economic transactions conducted with non-Chinese residents, either directly or through financial institutions.

## INDIA

*Notifications*

**Exchange Control Information.** The Participant understands that the Participant must repatriate any proceeds from the sale of Shares acquired under the Plan to India within such period of time as prescribed under applicable Indian exchange control laws, as may be amended from time to time. The Participant will receive a foreign inward remittance certificate ("FIRC") from the bank where the Participant deposits the foreign currency. The Participant should maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Employer requests proof of repatriation. It is the Participant's responsibility to comply with applicable exchange control laws in India.

**Foreign Asset/Account Reporting Information.** The Participant is required to declare any foreign bank accounts for which the Participant has signing authority in the Participant's annual tax return. It is the Participant's responsibility to comply with applicable tax laws in India. The Participant should consult with the Participant's personal tax advisor to ensure that the Participant is properly reporting the Participant's foreign assets and bank accounts.

## SINGAPORE

*Terms and Conditions*

**Restriction on Sale of Shares**. The Option is subject to section 257 of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA") and the Participant should not make any subsequent sale in Singapore, or any offer of such subsequent sale of the Shares underlying the Option, unless such sale or offer in Singapore is made: (1) after 6 months of the Date of Grant of the Option to the Participant; or (2) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

*Notifications*

**Securities Law Information.** The offer of the Plan, the grant of the Option, and the value of any underlying Shares on exercise are being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the SFA. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore.

**Director Notification Obligation**. Directors, associate directors or shadow directors of a Singapore member of the Company Group are subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify such entity in writing within two business days of any of the following events: (i) the acquisition or disposal of an interest (e.g., Option granted under the Plan or Shares) in the Company or any member of the Company Group, (ii) any change in previously-disclosed interests (e.g., sale of Shares), of (iii) becoming a director, associate director or shadow director of a member of the Company Group in Singapore, if the individual holds such an interest at that time.

## SPAIN

***Terms and Conditions***

**No Entitlement for Claims or Compensation.** This provision supplements Section 13 of the Nonqualified Stock Option Agreement and Section 2 of the Terms and Conditions for Non-U.S. Participants:

By accepting the Option, the Participant consents to participation in the Plan and acknowledges that the Participant has received a copy of the Plan document.

The Participant understands that the Company has unilaterally, gratuitously and in its sole discretion decided to make grants of Options under the Plan to individuals who may be employees of the Company or other members of the Company Group throughout the world. The decision is limited and entered into based upon the express assumption and condition that any Options will not economically or otherwise bind the Company or any other member of the Company Group, including the Employer, on an ongoing basis, other than as expressly set forth in the Agreement. Consequently, the Participant understands that the Options are granted on the assumption and condition that the Options shall not become part of any employment contract (whether with the Company or any other member of the Company Group, including the Employer) and shall not be considered a mandatory benefit, salary for any purpose (including severance compensation) or any other right whatsoever. Furthermore, the Participant understands and freely accepts that there is no guarantee that any benefit whatsoever shall arise from the grant of the Option, which is gratuitous and discretionary, since the future value of the Option is unknown and unpredictable.

The Participant understands and agrees that, unless otherwise expressly set forth in the Agreement, the Participant's termination of employment for any reason (including for the reasons listed below) will automatically result in the cancellation and loss of any Options that may have been granted to the Participant and that were not fully vested on the date of termination of employment. In particular, the Participant understands and agrees that, unless otherwise expressly set forth in the Agreement, the Option will be cancelled without entitlement to any proceeds or to any amount as indemnification if the Participant terminates employment by reason of, including, but not limited to: resignation, death, disability, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause,

individual or collective layoff on objective grounds, whether adjudged to be with cause or adjudged or recognized to be without cause, material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, Article 50 of the Workers' Statute, unilateral withdrawal by the Employer, and under Article 10.3 of Royal Decree 1382/1985.

The Participant also understands that the grant of the Option would not be made but for the assumptions and conditions set forth hereinabove; thus, the Participant understands, acknowledges and freely accepts that, should any or all of the assumptions be mistaken or any of the conditions not be met for any reason, the grant of the Option shall be null and void.

***Notifications***

**Securities Law Information.** The Options do not qualify under Spanish regulations as securities. No "offer of securities to the public", as defined under Spanish law, has taken place or will take place in the Spanish territory. The Agreement (including Appendix B and this Appendix C) has not been nor will it be registered with the *Comisión Nacional del Mercado de Valores*,and does not constitute a public offering prospectus.

**Foreign Asset/Account Reporting Information.** The Participant may be subject to certain tax reporting requirements with respect to rights or assets (including cash in a bank or brokerage account) held outside of Spain with an aggregate value exceeding €50,000 per type of asset or right as of December 31 each year. Unvested awards (*e.g.*, the Option) are not considered assets or rights for purposes of this reporting requirement. If applicable, the Participant must report the assets on Form 720 by no later than March 31 following the end of the relevant year. After the assets and/or rights are initially reported, the reporting obligation will apply only if the value of previously-reported assets or rights increases by more than €20,000 as of each subsequent December 31. The Participant should consult with the Participant's personal advisor to determine the Participant's obligations in this respect.

In addition, the Participant may be required to electronically declare to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments and any transactions with non-Spanish residents (including any payments of cash made to the Participant by the Company into a U.S. brokerage account) if the balances in such accounts together with the value of such instruments as of December 31, or the volume of transactions with non-Spanish residents during the prior or current year, exceed €1,000,000. Once the €1,000,000 threshold has been surpassed in either respect, the Participant will generally be required to report all of the Participant's foreign accounts, foreign instruments and transactions with non-Spanish residents, even if the relevant threshold has not been crossed for an individual item. The Participant will generally only be required to report on an annual basis.

## UNITED ARAB EMIRATES

***Notifications***

**Securities Law Information.** Participation in the Plan is being offered only to Eligible Persons and is in the nature of providing equity incentives to Eligible Persons. Any documents related to participation in the Plan, including the Plan, the Agreement and any other grant documents ("Option Documents"), are intended for distribution only to such Eligible Persons and must not be delivered to, or relied on by, any other person. The United Arab Emirates securities or financial/economic authorities have no responsibility for reviewing or verifying any Option Documents and have not approved the Option Documents nor taken steps to verify the information set out in them, and thus, are not responsible for their content.

The securities to which this statement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. The Participant is aware that he or she should, as a prospective stockholder, conduct his or her own due diligence on the securities. The Participant acknowledges that if he or she does not understand the contents of the Option Documents, the Participant should consult an authorized financial advisor.

## UNITED KINGDOM

***Terms and Conditions***

**Responsibility for Taxes**. This provision supplements Section 5(b) of the Nonqualified Stock Option Agreement and Section 1 of the Terms and Conditions for Non-U.S. Participants:

Without limitation to Section 5(b) of the Nonqualified Stock Option Agreement or Section 1 of the Terms and Conditions for Non-U.S. Participants, the Participant agrees that the Participant is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company or the Employer or by Her Majesty's Revenue and Customs ("HMRC") (or any other tax authority or any other relevant authority). The Participant also agrees to indemnify and keep indemnified the Company and the Employer against any Tax–Related Items that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on the Participant's behalf.

Notwithstanding the foregoing, if the Participant is a director or executive officer (within the meaning of Section 13(k) of the Exchange Act), the Participant understands that he or she may not be able to indemnify the Company for the amount of any Tax-Related Items not collected from or paid by the Participant, in case the indemnification could be considered to be a loan. In this case, the Tax-Related Items not collected or paid may constitute a benefit to the Participant on which additional income tax and National Insurance contributions ("NICs") may be payable. The Participant understands that he or she will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying to the Company and/or the Employer (as appropriate) the amount of any

NICs due on this additional benefit, which may also be recovered from the Participant by any of the means referred to in Section 5(b) of the Nonqualified Stock Option Agreement or Section 1 of the Terms and Conditions for Non-U.S. Participants.

**Exhibit 31.1**

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER**

I, Christopher J. Nassetta, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2021 of Hilton Worldwide Holdings Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Christopher J. Nassetta

**Christopher J. Nassetta**
**President and Chief Executive Officer**
**(Principal Executive Officer)**
May 5, 2021

**Exhibit 31.2**

**CERTIFICATION OF CHIEF FINANCIAL OFFICER**

I, Kevin J. Jacobs, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2021 of Hilton Worldwide Holdings Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Kevin J. Jacobs

**Kevin J. Jacobs**
**Chief Financial Officer and President, Global Development**
**(Principal Financial Officer)**
May 5, 2021

**Exhibit 32.1**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO**
**SECTION 906 OF THE SARBANES-OXLEY**
**ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Hilton Worldwide Holdings Inc. (the "Company") for the fiscal quarter ended March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christopher J. Nassetta, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Christopher J. Nassetta

**Christopher J. Nassetta**
**President and Chief Executive Officer**
**(Principal Executive Officer)**

May 5, 2021

*A signed original of this certification required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request. The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.*

**Exhibit 32.2**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO**
**SECTION 906 OF THE SARBANES-OXLEY**
**ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Hilton Worldwide Holdings Inc. (the "Company") for the fiscal quarter ended March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kevin J. Jacobs, Chief Financial Officer and President, Global Development of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Kevin J. Jacobs

**Kevin J. Jacobs**
**Chief Financial Officer and President, Global Development**
**(Principal Financial Officer)**

May 5, 2021

*A signed original of this certification required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request. The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.*