

## Hotel Participation

### TEMPORARY/LEASED LABOR AGREEMENT

THIS SERVICES AGREEMENT ("Agreement") is entered into as of the Effective Date by and between the Parties, set forth below, who agree as follows:

1. **DEFINITIONS:** Capitalized terms are used as defined in this Agreement and in the Scope of Work attached as Exhibit A (the "SOW").

2. **SERVICES:** You agree to perform the Services with the highest level of professional skill, in accordance with industry standards and the terms of this Agreement.

3. **TERM:** Unless earlier terminated under this Agreement, this Agreement begins on the Effective Date and expires at the end of the Term. If not specified in the SOW, the term will be month to month. This Agreement will automatically renew on a month to month basis or until terminated in accordance with the terms of this Agreement.

#### 4. FEES & EXPENSES:

A. Subject to our acceptance of the Services and any work product you create for delivery to Hotel ("Deliverables"), Hotel will pay the Fees. You are not eligible for any bonus, additional fees or other compensation. You will be responsible for out-of-pocket expenses incurred in connection with the Services, including travel expenses, food, and lodging.

B. You are permitted to install a time capturing system at the Hotel at your cost which will be the exclusive system for the recording of hours worked by any individuals performing services under this Agreement at the Hotel.

5. **REPRESENTATIONS, WARRANTIES, AND COVENANTS:** You represent, warrant and covenant that:

A. you are duly organized, validly existing, in good standing and qualified to do business under applicable laws where you are formed and in any jurisdiction in which you operate;

B. you have all requisite corporate power and authority to own and operate your assets, carry on your

H. imposed by the United States Government, (3) individuals or entities ordinarily

business, sign this Agreement, and grant any licenses under this Agreement;

C. the individual signing has the necessary authority and legal capacity to bind you;

D. you have and will maintain throughout the Term all qualifications required to perform the Services; and

E. with respect to any Deliverables: (i) no third party has any rights in, to or arising out of, the Deliverables and Hotel's use will not infringe any third party rights; (ii) you have (1) the right to use any third party materials contained in the Deliverables, (2) the right to sublicense such right in accordance with the terms of this Agreement, (3) obtained all clearances and permissions as necessary for Hotel or Hilton Worldwide, Inc. ("HWI") or any of their affiliates, subsidiaries, parent, shareholders or owners (collectively, "Affiliates") to exercise its rights as set forth in this Agreement, free and clear of liens, claims and encumbrances, and (4) full power and authority to grant any and all licenses; (iii) the Deliverables will be free and clear from material defects in design and workmanship and will meet all specifications and all other statements or claims found in any performance standards, any related documentations will fully describe the proper use and be suitable for a person of average intelligence; and (iv) the Deliverables will not contain any computer code that would (or enable you to) disable software or impair in any way its operation based upon the elapsing of time, exceeding a specified number of copies, advancement to a particular date or other numeral, or other similar self-destruct mechanisms.

F. You will not directly or indirectly pay, offer, give or promise to pay or authorize the payment of any money or other things of value to an official or employee of a government, public organization, Hotel or HWI, any political party or candidate if any such payment, offer, act or authorization is for purposes of influencing official actions or decisions or securing any improper advantage in order to obtain or retain business, or engaging in acts or transactions otherwise in violation of any applicable anti-bribery legislation or any of Hotel's or HWI's policies.

G. Neither you nor your owners, shareholders, officers nor directors own or are controlled by a "Restricted Person", which is defined as (1) the government of any country subject to an embargo imposed by the United States government, (2) an individual or entity located in or organized under the laws of a country that is subject to an embargo resident in any country subject to an embargo imposed by the United States Government, or (4) individuals or

entities identified by an government or legal authority with whom you, the Hotel, HWI or Affiliates are prohibited or restricted including persons designated under the U.S. Department of Treasury's Office of Foreign Assets Control (OFAC) List of Specially Designated Nationals and Other Blocked Persons (including terrorists and narcotics traffickers); and similar restricted party listings, including those maintained by other governments pursuant to United Nations, regional or national trade or financial sanctions. You will notify Hotel or HWI in writing immediately upon an occurrence of the above events.

I. You represent and warrant that funds received or paid in connection with entry into or performance of this Agreement have not been and will not be derived from or commingled with the proceeds of any activities that are proscribed and punishable under the criminal laws of the United States, and that it is not engaging in this transaction in furtherance of a criminal act, including acts in violation of applicable Anti-Corruption Laws. Should you learn that conduct has or may have occurred in violation of this provision, you will immediately notify Hotel or HWI.

**6. EQUAL EMPLOYMENT OPORTUNITY OBLIGATIONS:** Hotel Owner or HWI is an equal opportunity employer and federal contractor or subcontractor. Consequently, the parties agree that, if you have operations physically located in the territorial United States including Puerto Rico which are involved in your performance under this AGREEMENT, and to the extent otherwise applicable, they will abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a) and that these laws are incorporated herein by reference. **These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.** The Parties also agree that, as applicable, they will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws.

6.

**7. YOUR STATUS:** You will provide the Services exclusively as an independent contractor. You may not hold yourself out as the employee, agent, officer, director, or representative of Hotel or HWI.

You will be solely responsible for all payments related to your business and employees, including all taxes, and will report all payments as an independent contractor. You will ensure your employees and agents comply with all terms of this Agreement and Hotel rules and regulations. You will ensure your employees, agents or subcontractors (as permitted) will undergo initial and periodic background checks and any required additional security checks if performing Services on Hotel premises. You will ensure all third party suppliers engaged to perform Services will sign an agreement containing terms substantially similar to the terms of this Agreement.

You warrant that during the term of this Agreement (i) all individuals who perform services under this Agreement are your common law employees and (ii) you retain the right to direct and control these employees. You agree and acknowledge that you are not entitled to participate in any of the benefit plans or programs that HWI maintains for its employees. In the event any local, state or federal court, agency or other entity determines that you are considered an employee or common law employee of HWI, or if for any reasons you were to meet the eligibility criteria of any benefit plan or program available to HWI's employees or otherwise become eligible to participate in any Hotel- or HWI-sponsored benefit plans or programs, you waive any right to participate in, retrospectively or prospectively, or receive any benefit(s) under any Hotel or HWI-sponsored benefit plans or programs. This waiver represents a material component of the terms and compensation agreed and is not in any way conditioned on any representation or assumption concerning your status. You make this waiver on behalf of your employees and agents.

You warrant that all of your employees who perform services under this Agreement are either enrolled in health care coverage or are eligible for coverage under your health care plans and that such coverage qualifies as minimum essential coverage for purposes of the employer responsibility provisions under IRC 4980H,

HWI may audit your operations to ensure compliance with these warranties.

**8. PUBLICITY:** You may not display or distribute any signs or notices upon Hotel premises without prior written approval of Hotel. You may not

issue public announcements or press releases relating to Hotel or HWI or Affiliates without prior written consent.

9. **CONFIDENTIALITY:** You will treat all information and materials provided to you by the Hotel and/or HWI or Affiliates ("Confidential Information") as strictly confidential and with at least the same degree of care that you use to protect your own most valuable confidential and proprietary information. You may use Confidential Information only for the purpose of providing the Services. You will disclose or permit access to Confidential Information only to your employees and representatives who have a need to know the Confidential Information in order to provide the Services. You will be strictly liable for any disclosure or unauthorized use of Confidential Information by any person to whom you disclose the Confidential Information.

Confidential Information does not include information that is publicly available, that you obtain from independent sources free of any obligation, other than through improper disclosure, or that you develop independently of and without reference to the Confidential Information. If you are required by law, rule or regulation or court order to disclose any Confidential Information, you will promptly notify the Hotel in writing prior to making any disclosure and will reasonably cooperate with any effort by the Hotel, HWI or Affiliates to obtain a protective order or other remedy. At the Hotel's request, you will promptly return or destroy all Confidential Information in your possession or control and certify the same to Hotel.

10. **PRIVACY:** If in providing the Services you have access to Personal Information (as defined in the Privacy Policy defined herein), you will comply with the Hilton Worldwide, Inc. Privacy and Data Protection Policy for Service Providers (the "Privacy Policy"), posted at: <http://www.hiltondistribution.com/privacyanddataprotectionstandards.htm> and incorporated herein. You acknowledge that you have had the opportunity to view the Privacy Policy. If any of the terms of this Agreement conflict with the Privacy Policy, the provision more protective of the Hotel, HWI and Affiliates prevails. HWI will post amendments to the Privacy Policy at the foregoing URL or another URL provided by Hotel. Your continued performance of the Services after the posting of an amendment will constitute your agreement to comply with the amended Privacy Policy.

11. **INTELLECTUAL PROPERTY RIGHTS:**

A. **You and your employees, contractors and agents will submit to Hotel only ideas and creative concepts which are original work. You will disclose to Hotel in writing any property in the Deliverables owned by third parties ("Third Party IP"). You grant Hotel a perpetual, fully-paid up, non-exclusive license to any Third Party IP and any of your own intellectual property embedded in the Deliverables. If the SOW includes a Work Made for Hire (as defined below in the SOW), you agree to HWI's standard terms and conditions with respect to Work for Hire & Assignment of Rights, attached to the SOW or available for review and inspection upon request.**

B. **Marks:** You acknowledge that Hotel, HWI or Affiliates is the owner of all trademarks, trade names, service marks, copyrights and logos (collectively "Marks") that they provide to you in connection with the Services. You do not have any ownership rights in the Marks and may not use the Marks in any fashion without the express written consent of Hotel. You will not take (or fail to take) any action if it will result in a challenge to the validity of the Marks or ownership of the Marks. You will not (i) contest or deny the validity of, right or title to the Marks; (ii) encourage or assist others directly or indirectly to do so at any time; nor (iii) use the Marks in any manner that would diminish the value of the Marks or harm the reputation of Hotel or HWI. You have no right to authorize any third party to use the Marks. You will use the Marks in accordance with any guidelines and instructions provided by Hotel or HWI.

12. **AUDIT:** Hotel or HWI may examine and copy your books relating to the Services at any time during normal business hours and upon reasonable notice. You agree to maintain accurate accounting of all expenses incurred in connection with this Agreement.

13. **LAWS, LICENSES AND REGULATIONS:** Each party will comply with all applicable laws, regulations, codes, ordinances and rules (the "Applicable Laws") in connection with this Agreement. You will maintain at your expense all permits or licenses required to perform the Services.

14. **LIENS:** You will keep all Hotel property free and clear from all liens. Hotel may require as a condition to payment waivers or releases of liens or

receipts in full and an affidavit that all such claims have been fully satisfied.

15. **ASSIGNMENT, SUBCONTRACTING:** You will not assign nor subcontract your obligations under this Agreement, nor encumber this Agreement without Hotel's prior written consent. HWI is the only third party beneficiary to this Agreement and you agree that HWI has the right to directly enforce against you any obligations under this Agreement. This Agreement will inure to the benefit of and be binding upon the Parties and their respective successors and assigns. You are jointly and severally liable for the actions of your assignees and contractors.

16. **INDEMNIFICATION:** You will defend, indemnify and hold harmless Hotel, HWI, their affiliates, subsidiaries, parent, shareholders or owner affiliates and their respective officers, directors, agents, contractors, employees (collectively referred to as the "Indemnitees"), against and from any and all allegations, demands, claims, liabilities, damages, or costs of any kind (including reasonable attorneys' fees), whether or not occurring during the Term ("Claims"), arising out of or in any way connected with (A) your breach of this Agreement, (B) your negligence, or (C) your actual or alleged infringement of the rights of any person, including without limitation, copyright, patent, trade secret, trademark, privacy, publicity or other intellectual property laws. Any Indemnitees against whom a Claim has been made may, by notice to you, require you to defend the Claim at your own expense and to reimburse the Indemnitees any amounts paid or payable, including reasonable attorney fees and costs.

17. **INSURANCE:** You will maintain insurance at your own cost continuously throughout the Term and during any period in which you perform the Services. The insurance will comply with the requirements attached as Exhibit B, which Hotel may update from time to time. On behalf of yourself and your insurers, you waive all rights against Hotel, HWI, their affiliates, subsidiaries, parent and their agents, officers, directors, and employees for recovery of damages to the extent these damages are covered by your insurance regardless of deductibles, if any.

18. **TERMINATION:** Hotel may terminate this Agreement for any reason upon forty five (45) days written notice to you. Hotel may terminate this Agreement immediately in the event:

A. You breach this Agreement and you fail to cure your breach where such breach is capable of

being cured within 21 days' of written notice of termination from Hotel;

B. There is a material adverse change in your business or financial condition;

C. You cease doing business;

D. There is a change of control over you without Hotel's consent;

E. Applicable laws may materially interfere with your ability to provide the Services;

F. You violate any of the Confidentiality, Privacy or Laws, Licenses and Regulations provisions of this Agreement.

19. **POST TERMINATION OBLIGATIONS:** Upon termination of this Agreement, you will provide reasonable transition assistance to Hotel including providing all Deliverables and Services, fully or partially completed, in the format requested by Hotel, and cooperating with any successor service provider. If Hotel terminates this Agreement for cause, you will pay costs of transition.

20. **REMEDIES:** You acknowledge that Hotel's remedy at law for breach of this Agreement would be inadequate. You therefore consent to temporary and permanent injunctive relief and/or specific performance in any proceeding brought to enforce this Agreement, without the necessity of proof of actual damage, in addition to all other remedies under this Agreement or available at law.

21. **MISCELLANEOUS:**

A. Neither Party is the drafter of this Agreement and no provision should be construed against either Party as the drafter.

B. Except as provided below, any provision of this Agreement held unenforceable will be deemed severed from this Agreement. The remainder of the Agreement will remain in full force and effect. If a provision is held unenforceable because it is unreasonable, onerous or unduly restrictive, it will remain effective to the maximum extent permissible within reasonable bounds.

C. Provisions intended to survive (including Sections 7 –10, 15, 16, 18 and 24) will survive the expiration or termination of this Agreement.

22. **NATURE OF AGREEMENT:** This Agreement does not grant you any license or other interest or real estate interest in the Hotel premises or asset. Your use of Hotel premises is non-exclusive, fully revocable and only permitted to the extent required to perform the Services.

23. **NOTICES:** All notices to be given under this Agreement must be in writing and sent to the address

specified on the SOW. Notices are effective on the earlier of: (A) one business day after being sent by next day delivery service; or (B) three business days after being sent by certified or registered mail. All notices will be sent to the receiving Party's address as set forth in the applicable SOW.

24. MODIFICATION; ENTIRETY OF AGREEMENT: This Agreement is the full and complete understanding of the Parties regarding the Services and supersedes any prior written or oral agreements. This Agreement may only be modified by a subsequent writing executed by duly-authorized representatives of both Parties which expressly states that it is a modification of this Agreement.

25. GOVERNING LAW AND VENUE: This Agreement is governed by and interpreted under the laws of the jurisdiction in which the Hotel is located. Any litigation arising out of or related to this Agreement will be filed in a court of competent jurisdiction in which the Hotel is located. The Parties unconditionally and irrevocably submit themselves to the exclusive jurisdiction of these courts.

26. COUNTERPARTS: This Agreement may be executed in counterparts and exchanged by facsimile or electronically scanned copy. Each such counterpart will be deemed to be an original and all such counterparts together will constitute one and the same Agreement.

THE PARTIES:

"You" "Your" "Yourself" or "Provider"

Hotel

Entity Name: Acrobat Outsourcing

Hotel Owner Name:

Sunstone Top Gun Lessee, Inc

d/b/a Hotel Name:

Embassy Suites by Hilton San Diego La Jolla

By: Embassy Suites Management LLC its Managing Agent

Signed: \_\_\_\_\_

Signed:

B. Hirzel

Name (Print):

B. HIRZEL

Name Marc Caplan

Position Title: VP of Sales

Position Title: GM for Hotel and  
Authorized Representative of Managing Agent

Dated: 7/19/2018

Dated: 7/24/18



**EXHIBIT A**  
**HOTEL LEVEL**  
**TEMPORARY/LEASED LABOR AGREEMENT**

**SCOPE OF WORK**

THIS SOW forms part of the Services Agreement by and between the parties set forth below (as defined as “**Vendor**” and “**Hotel**”). Vendor and Hotel are collectively the “**Parties**” and individually, a “**Party**”.

<b>Vendor</b>	Acrobat Outsourcing
<b>Hotel</b>	Embassy Suites La Jolla
<b>Effective Date</b>	7/19/2018
<b>Premises</b>	4550 La Jolla Village Drive, San Diego, CA 92122
<b>Term</b>	The term of this Agreement will begin on the Effective Date and continue until (“End Date”). After the End Date, this Agreement will continue on a month to month basis unless otherwise agreed in writing by the Parties. All renewals must be on a month to month basis unless otherwise agreed in writing by the Parties.
<b>Primary contact for Vendor</b>	Vendor will appoint a representative who will supervise and coordinate the performance of the Services and has the authority to bind the Vendor. Such person is:
<b>Primary contact for Hotel</b>	IRLANDA SERRANO

**1. Description of the Services (“Services”):**

- a. **Engagement.** Hotel engages Vendor to provide temporary labor (the “**Workers**”) to work at the Premises in the positions described below or as otherwise communicated by Hotel to Vendor from time to time. Vendor will provide candidates who meet or exceed the qualifications provided by Hotel. Hotel will not be obligated to accept any candidate and may accept or reject candidates in its sole discretion. Vendor accepts responsibility of obtaining Hotel’s written approval and engagement of any Worker. Hotel will not be obligated to pay any amounts to Vendor in connection with any Worker not accepted by Hotel in writing. Vendor will be responsible for ensuring transportation of any Worker to the Premises. Hotel may terminate the services of any Worker upon written notice to Vendor.
- b. **Job Description:** The Job Descriptions will be provided to Vendor from time to time by Hotel.
- c. **Number and type of Workers Required:**
  - i. There is no minimum amount of workers or type of workers required, both will depend on the hotel operational needs.
  - ii. If Hotel contacts Vendor at least thirty (30) days before a required start date, Vendor guarantees the availability of the agreed number of qualified Workers. Vendor will have sufficient Workers available to replace Workers from time to time given estimated attrition rates. If Hotel has an emergency or last-minute situation, Vendor will respond promptly to assign a sufficient number of Workers to Hotel.

- d. **Vendor employment of Workers:** Vendor will be responsible for all aspects of employing the Workers and will ensure that the Workers acknowledge that they are employees of the Vendor and not of Hotel or Hilton Worldwide, Inc. Vendor is solely responsible for compliance with all laws with respect to its business and the employment of the Workers. At Hotel's request, Vendor will certify in writing from time to time that it is in compliance with all laws, rules and regulations. Vendor certifies that it is an Equal Opportunity Employer. Vendor's responsibilities include:
  - i. recruit, screen, interview, select, hire and assign to Hotel the Workers;
  - ii. pay the wages, overtime, and benefits to Workers;
  - iii. exercise human resources (non-operational) supervision of the temporary personnel;
  - iv. handle all related employment law disclosures and maintenance of payroll records;
  - v. withhold, remit and report payroll taxes and workers' compensation relating to temporary personnel;
  - vi. obtain and administer temporary personnel's I-9 documentation and verification of employment eligibility under applicable legal requirements and restrictions (including the Immigration Reform and Control Act of 1986, as amended); and
  - vii. conduct criminal background checks as agreed in writing by the parties.
- e. **Conduct of Workers.** Vendor will ensure that the Workers will comply at all times with Hotel's rules and regulations, which may be changed from time to time. Vendor will ensure Workers appear and conduct themselves while on the Premises in a professional manner and to not interfere with the guests or business of the Hotel. Vendor, as employer of record, will be responsible for the hiring, disciplinary action including termination, or reward of all Workers. Hotel will have the right to demand that any Worker(s) cease any conduct Hotel deems inappropriate and/or be removed from the Premises. Vendor will not offer to Hotel any Workers previously removed from the Hotel.
- f. **Guaranty and Warranty.** If Hotel is not satisfied with the services or conduct of any Worker, Hotel will notify Vendor within the first eight (8) hours of work. Vendor will not bill Hotel for the hours worked up to eight (8) hours and provide a replacement to Hotel at no additional cost. Vendor warrants each Worker has the minimum qualifications for the position, that Vendor has personally confirmed qualifications of each Worker using industry standards, but specifically including confirmation of legal status and criminal history check. Vendor will perform such checks and confirmations periodically to ensure that the information is up to date.
- g. **Confidentiality and Work for Hire Agreements.** If required by Hotel, Vendor will cause its Workers to sign the Confidentiality and Work for Hire Agreements attached as **Exhibits C and D**. Vendor will notify Hotel immediately if Vendor has knowledge that a Worker may have violated this Agreement or the Confidentiality, Work for Hire or Privacy agreements or provisions.

2. **Fees and Payments:** Hotel will pay Vendor the hourly rates as follows.

- a. **Bill Rate:** Bill rates will vary by state based on the mark-ups provided on Exhibit D.

<b>Position</b>	<b>Bill Rate</b>
Housekeeping/Laundry/Dishwasher/Houseman	\$19.50
Housekeeping Supervisor	\$22.95
Line Cook	\$22.95
Banquet Set Up	\$19.50
Banquet Server/Bartender	\$22.95

- b. The Parties may revise or add to the Rates upon written agreement by an authorized officer of Hotel and Vendor.
- c. Straight time rates are billed for all hours worked. Overtime is paid for all hours worked in excess of 40

hours per week. Vendor will not be compensated for overtime hours unless approved by Hotel in writing in advance.

- d. Rates are inclusive of (i) all payroll costs, including employer overhead and fringe costs, (ii) any overtime due by Vendor as employer, and (iii) all screenings and background checks.
- e. Rates are exclusive of any applicable sales taxes and other taxes, which will show as a separate line item on the invoice.
- f. Overtime: Calculated as straight pay multiplied by state overtime law.
- g. Expenses: Vendor will bear the cost of all expenses incurred by Vendor in connection with providing the Services or otherwise. In the event that Hotel agrees to pay any out of pocket expenses of Vendor or its Workers, Hotel must approve all such expenses in advance and in writing and/or Worker will comply with Hotel's expense and travel policies as they may change from time to time. Vendor must confirm Hotel's policies. Expenses not in compliance with this section will not be reimbursable.
- h. Tips and Gratuities: Workers may not receive any tips or gratuities from third parties that are not declared to the Hotel and approved by the Hotel in writing.

3. **Payment Terms:**

- a. Vendor will provide Hotel with an invoice (in writing or electronically as the parties may agree) with specificity and details as Hotel may require. Such invoice will, at a minimum, identify the Worker, break down the number of hours or partial hours per person and per task, the reimbursable expenses (on a line item basis)(if applicable). The invoice will also include the total amount of fees charged by Vendor to date and a comparison of fees as against budget. Vendor will pay undisputed charges from the invoice within thirty (30) days of its receipt of the invoice.
- b. No Fee Unless Employment. Hotel will not be obligated to pay any fee or other reimbursement or compensation to Vendor until and unless Hotel accepts a Worker for placement.

4. **Additional Provisions:** Parties agree to the following additional provisions:

- a. **Non-Exclusivity.** Vendor (on its own behalf and for its contractors, agents and employees) acknowledges and agrees that this Agreement is a non-exclusive agreement and that Hotel may deal with any other persons or entities with respect to the subject matter of this Agreement at any time.
- b. **Non-Solicitation.** During the term of this Agreement and for a period of one (1) year thereafter, Vendor will not, directly or indirectly, solicit, divert or hire away (or attempt to solicit, divert, or hire away) to or for itself or any third party, any employee of Hotel whether or not such employee is full-time, part-time, or temporary, whether or not such employment is pursuant to a written agreement and whether or not such employment is for a determined period or terminable at will.
- c. **Entire Agreement.** This Agreement and Exhibits constitutes the Entire Agreement. Any scope of work or proposal provided by Vendor and/or any language in purchase orders or invoices (whether or not attached to this Agreement) is specifically superseded so that the terms of this Agreement will prevail.
- e. **Transition.** Upon the expiration or termination of this Agreement or any assignment of a Worker, Worker and Vendor will return to Hotel all documents, equipment and materials belonging to Hotel and certify that all has been returned. Hotel will only pay for services actually provided prior to the date of termination or expiration.
- f. **Cooperation.** Vendor agrees to cooperate with Hotel and assist in any investigation of any Worker initiated by Hotel or by any Federal, State or local government authority.

5. **Conversion Schedule:** The hotel agrees that, during the term of this Agreement, it will not solicit or attempt to solicit any Vendor's employees to leave Vendor's employment and become direct employees of Hilton. Notwithstanding the foregoing, nothing herein shall be deemed to prevent Hotel from advertising employment opportunities in a periodical or general distribution in the relevant geographic area. It shall not be a violation of this provision if an employee of Vendor responds to such a general advertisement and is ultimately hired by Hotel through that process in the ordinary course, without soliciting the Vendor employee to apply for the position at issue. Furthermore, if the hotel is notified by the Vendor of a direct hire being an employee of the

Vendor, the hotel has a seven (7) day cure period. In the event Hotel does not cure, Hotel agrees to pay Vendor a fee of \$3,750.

In the event Hotel desires to convert a Vendor employee to a Hotel employee, the Vendor employee has worked more than 2,000 hours in a continuous twelve (12) month period, and the average markup percent on the pay rate for the converting position is the scheduled mark-up percent (%) in-force for that applicable year, Vendor and Hotel will meet in January to review the previous year full revenue and determine the qualifying number to convert per the table below. If the Vendor employee declines to be converted, another Vendor employee with less than 2,000 hours worked but more than 1,040 hours in a continuous twelve (12) month period can be considered for Conversion to a Hotel employee based on the table. If the Conversion of Vendor employees do not comply with any portion of the qualifying events in Section 5, each party has a seven (7) day cure period to mutually agree to negotiate in good faith to resolve a violation of the terms of the Conversion section.

**Conversion:** If the Vendor Worker has been assigned to the Hotel and worked more than 2,000 hours in a continuous twelve (12) month period the Hotel is allowed to convert the qualifying Vendor worker as follows:

Billable Revenue prior Calendar Year	Conversion Allowance of Workers

6. **Agreed Amendments to Standard Terms and Conditions:** Parties agree to amend the attached Services Agreement as follows:

**Section 7** third paragraph is deleted and replaced with the following:

You warrant that as of the effective date of the Affordable Care Act all of your employees who perform services under this Agreement will be either enrolled in health care coverage or eligible for coverage under your health care plans and that such coverage qualifies as minimum essential coverage for purposes of the employer responsibility provisions under IRC 4980H. You will be permitted to charge Hotel the amount of twenty-seven cents (27¢) for each hour of work performed by every assigned to perform services for Hotel under this Agreement

**Section 16(B)** is deleted and replaced with the following:

your negligence, except to the extent a Claim is caused by the negligence, misconduct or other fault of Hotel, HWI and its Affiliates, or

**EXHIBIT B**  
**HOTEL LEVEL TEMPORARY LABOR AGREEMENT**  
**PROVIDER INSURANCE REQUIREMENTS**

At Provider's expense, Provider shall maintain insurance coverage of the following types continuously throughout the Term of this Agreement or during any period work is performed relating to this contract:

- (a) Occupational Injury Scheme (Worker's Compensation insurance) as required by local laws and regulations, and Employers' Liability insurance with a limit not less than US\$1,000,000 each accident for bodily injury, US\$1,000,000 each employee for bodily injury by disease, and US\$1,000,000 policy limit for disease.
- (b) General (Public) Liability insurance with a limit not less than US\$2,000,000 each occurrence covering liability arising from bodily injury, property damage, independent contractors, products-completed operations, advertising injury and liability assumed under an insured contract. Hotel and Hilton Worldwide, Inc. (including its parent, subsidiaries and affiliates) shall be included as additional insured on this policy.
- (c) If Provider's SOW requires or involves the use of an auto on hotel property, Provider shall carry 3<sup>rd</sup> Party Motor Vehicle insurance with a limit not less than US\$1,000,000 each accident covering owned, scheduled, leased, hired or other autos. Hotel and Hilton Worldwide, Inc. (including its parent subsidiaries and affiliates) shall be included as additional insured on this policy.
- (d) Professional Liability insurance with a limit of not less than US\$1,000,000, including Errors And Omissions or equivalent coverage for liability arising out of media activities, as well as coverage for intellectual property infringement, defamation, misleading and deceptive conduct, and claims arising out of Provider's negligent or willful errors or omissions during the performance of the services. Such insurance shall also include coverage for reasonable attorneys' fees and investigation costs.
- (e) At its option, Provider may purchase insurance to cover its personal property, including its tools and equipment. In no event shall Hotel be liable for any damage to or loss of personal property sustained by Provider, whether or not it is insured.
- (f) The insurance required above may be satisfied by any combination of primary, umbrella and/or excess insurance policies.

Provider's insurance shall apply as primary to any other insurance or self-insurance available to Hotel. Provider waives on behalf of itself and its insurers all rights of subrogation against Hotel and its agents, officers, directors, and employees for recovery of damages to the extent these damages are covered by its insurance regardless of any deductibles. Insurance companies affording the coverage required above shall have a A.M. Best rating of not

less than A/VII. Failure to maintain the required insurance may result in termination of this Agreement at Hotel's option. By requiring insurance herein, Hotel does not represent that coverage and limits will be adequate to protect Provider. The requirements contained herein shall not be construed in any manner to relieve or limit Provider's indemnification obligations for any loss or claim arising out of this Agreement. Prior to the execution date of this Agreement or commencement of any activity contemplated under this contract, whichever is earlier, Provider shall furnish Hotel with certificate of insurance providing evidence of compliance with the above requirements. Thirty days' (30) written notice to Hotel prior to cancellation or material change is required unless such cancellation is due to non-payment of premium, in which case the notice period shall be ten (10) days. If appearing on the certificate of insurance, the phrases "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted from the certificate's cancellation provision.