

IHG Owners Association

FREE NIGHTS PROGRAM

Your Free Nights Benefit Just Got Even Better

HOTEL PROGRAM REQUIREMENTS

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LIST OF DEFINED TERMS

ANNUAL ALLOCATION - 25 Free Nights each member (as defined below) receives within 7 days of membership renewal/activation.

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

BOOKING WINDOW - 90 days prior to the first date of the reservation.

FS - HOLIDEX Rate code for IHG Owners Association Free Nights Program

INIOA - HOLIDEX Rate category for IHG Owners Association Free Nights Program

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

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

MEMBERSHIP ACCOUNT - A Principal Correspondent and any additional affiliated cardholders.

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

PROGRAM - The IHG Owners Association Free Nights Program.

HIGHLIGHTS

OVERVIEW OF HOTEL PROTECTIONS

- All bookings are validated through IHG® Rewards Club. This ensures that only members in good standing are able to book free nights.
- A 90-day booking window has been established to promote yield management and limit exposure of room consumption by owners whose IHG Owners Association membership has lapsed.
- There is a cap on the number of rooms required to be allocated to the program on a nightly basis.
- A cap on each member's Annual Allocation, as well as a limit of one stay per month at each host hotel, prevents excessive use of the Program.
- A cap on the inventory required to be allocated to the Program on an annual basis helps ensure that host hotels are not providing an inequitable number of free room nights.

HOTEL PROGRAM REQUIREMENTS

1. INIOA Rate Category Requirement

As a member of the IHG Owners Association, your hotel(s) must participate in the IHG Owners Association Free Nights Program. The Program is available through the HOLIDEX® Plus system and free nights may be booked through the IHG Rewards Club website, on the IHG mobile app or by calling the Dedicated Member Reservation Line.

The INIOA Rate Category is automatically loaded for each member hotel by IHG within three weeks of membership renewal/activation. This rate category is associated with a Flat Rate Code (FS) of “.01” (or “1” if the hotel does not use a decimal currency). The INIOA Rate Category must be maintained as loaded by IHG.

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

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

2. Room Allocation Requirements

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

Minimum Inventory Requirement

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

Maximum Inventory Cap

To protect member hotels from excessive Program bookings, a nightly maximum inventory cap is set based on the total number of rooms in the hotel.

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

HOTEL INVENTORY CHART

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

Yield Management

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

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

Annual Inventory Cap

Each hotel has an Annual Inventory Cap of .5% (point five percent) to prevent excessive use of the Program. The IHG Owners Association monitors all member hotels’ Annual Inventory Cap on a monthly basis. If a member hotel reaches the Annual Inventory Cap, the IHG Owners Association will provide the option of discontinuing the INIOA rate for the remainder of the year. (Hotels may offer additional rooms under the Program beyond the Annual Inventory Cap Per Night, at their discretion.)

How the Room Allocation Works

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

Example 1:

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

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

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

Example 2:

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

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

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

3. Blackout Dates

Member hotels are allowed 50 Blackout Dates per calendar year for Rate Category INIOA. It is the hotel's responsibility to load and manage Blackout Dates for this rate category for their high demand period(s) and/or special event dates. For more information on how to load Blackout Dates, go to <https://me2.ihgmerlin.com/documents/12188515/18039d90-88c0-42da-a475-0f4a771ae5d5>.

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

Example:

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

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

4. Industry Events

The Program (Rate Category INIOA) will be available during a special event or special requirement as defined in the HOLIDEX Plus system, unless the hotel has one or more Blackout Dates loaded during this time frame.

- Member hotels are urged to put Blackout Dates into the system for industry events well in advance of the actual event date.
- Members and member hotels are responsible for being aware of industry-related events and booking / managing the Program rate accordingly. Note: Members are not permitted to book under the Program for any hotels impacted by an industry event within a 50-mile radius. Hotels are not required to provide the Program rate in these circumstances. This restriction includes meetings hosted by the IHG Owners Association, IHG meetings and events.

If a member hotel has Program reservations booked during an industry convention (e.g., an IHG or AAHOA Conference):

- For members who have booked the Program rate, the hotel may offer to change the booked Program rate to a different rate.
- The hotel must notify the members about this rate change offer 14 days prior to the arrival date so there is ample time for the members to either accept the new rate OR make alternate arrangements.

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

5. Reservations Requirements

All reservations are subject to hotel availability and member's annual allocation of free nights.

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

The Program reservation is valid for a standard room for two (2) adults. Room upgrades can be provided by the hotel upon check-in based on availability and IHG Rewards Club Platinum status of the member. (All members should be at Platinum status.)

Each member is allowed no more than one (1) stay per calendar month at a member hotel.

- A stay may be up to three (3) nights in a row
- Each member is permitted up to two (2) rooms per night per stay
- Once a member has exhausted his or her Annual Allocation, no further free nights will be available to book for that calendar year.

6. Guest Check-In and Stay Requirements

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

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

- Valid photo I.D. (typically driver's license or passport).
- Valid IHG Owners Association membership card. The name on the membership card must match the photo I.D.
- Valid credit card for incidentals.

Membership is validated during the booking process of an INIOA reservation; however, the member still must present identification and a membership card to validate for the hotel that the guest checking in matches the individual on the reservation.

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

Members are advised that they must present their membership card upon check-in. If they do not have their card at check-in, the host hotel may call the IHG Owners Association Offices at 770-604-5555, ext. 1 to verify the membership status of the guest. Please have the member's name, phone number and IHG Rewards Club number available when calling for verification.

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

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

7. Cancellations and No-Show Reservations Requirements

No-show Reservations: Charges will be assessed to the member in accordance with the hotel's Cancellation Policy. Charges will include the full regular room rate, plus taxes. The member may also forfeit the allocated free night.

Cancellations: To cancel a reservation and obtain a cancellation number, the member may request cancellation through their IHG Rewards Club account, on the IHG mobile app or by phone (either by calling the hotel directly, the Dedicated Member Reservation Line, or the CRO). Cancellation requests are handled in accordance with the hotel's Cancellation Policy. Cancelled reservations which are validated by a cancellation number will not cause the member to lose any free nights from their Annual Allocation. In the event of a validated cancellation, all free nights that were applied to the reservation will be returned to the member's Annual Allocation and can be viewed in their IHG Rewards Club account immediately.