

Type of Fee	Amount	Due Date	Remarks
Third Party Training	Varies	Varies	We may require you to participate in and pay a fee for training conducted by a third party.
New Owner Orientation	\$1,000 to \$1,600 per person	Upon demand	Payable prior to opening for your owners and payable when there is a majority ownership change and the new majority owner attends the New Owner Orientation. Attendance is mandatory within six months of a property opening or transfer.
Guest Relations Intervention Fee	Currently, \$150 per escalation. We will not increase this fee more than 10% per year.	Upon demand	If we have to intervene to resolve a guest complaint, we will assess this fee, which we may modify at our discretion. You also must reimburse us for any payment or other consideration we may furnish the guest to resolve the complaint.
Guest Relations Watchlist	Currently, \$195 per intervention. We will not increase this fee more than 10% per year.	Upon demand	For properties ranking in the bottom 20% of all The Red Collection hotels for negative responses, we will review all guest relations cases to ensure reasonable resolution. You must also reimburse us for any payment or other consideration we may furnish the guest to reasonably resolve the complaint.
Transfer Application Fee	\$2,500	Upon application to transfer your franchise	We have the right to approve all transfers. We will evaluate your proposed transferee when we receive this fee.
Transfer Fee	\$15,000	Upon the transfer of your Franchise	Payable when the transaction closes; we will not recognize the transfer until this fee is paid.
Reinstatement Fee	Currently, \$5,000. We will not increase this fee more than 10% per year.	Upon reinstatement of your Franchise	Payable in addition to all applicable amounts owed to restore your Franchise after termination or after removing the Hotel from the Reservation System.
Renewal Fee	50% of the then-current initial franchise fee. We will not increase this fee more than 10% per year.	Upon renewal	Payable upon approval of your renewal application.
Audit Fee	If audit finds underpayment of 2% or more, all costs and expenses we incur in connection with the audit in addition to paying the amount owed and interest; if you fail to	Upon demand	Amounts payable include our third party auditor fees, and the travel expenses and room and board for our representatives and/or our third party auditor's representatives conducting the audit as well as the expenses of conducting a re-audit.