

# CONTRACT PROCEDURES

All contracts and credit applications (other than group room contracts generated by Delphi) must be signed at the corporate office. **Property management has no authority to sign any contract or credit application.** All contracts and/or credit applications must be accompanied by a Request For Legal Services (“RFLS”). The top Property Level portion of the RFLS form must be filled out completely, or it will be returned to you for resubmission. For your convenience, a current RFLS form is attached to this memo. The Legal Department forwards all agreements directly to vendors. Therefore, **ensure** that you have all appropriate contact information included on your RFLS. A sample form – correctly completed – is attached for your convenience.

All contracts or agreements between a hotel and any outside vendor must first be approved by the General Manager of the property, the Divisional Vice President and Senior Vice President, who will, upon all approvals, forward it to the Legal Department for review and processing.

*Note: **Space leases** need go through the DVP and SVP. You should make sure that the Hotel provides pertinent information such as square footage, rent, tenant name/address, type of lease, etc. The DVP will initiate an RFLS and Legal will prepare the actual lease.*

## **Documents will be rejected and unprocessed if the following procedures are not followed:**

- If the contract is for products or services, a **Bid Sheet must accompany** the contract. **NOTE: ALL Properties MUST have three (3) bids for ANY Service or Product Contract. If you are not able to secure 3 bids, you MUST explain why, or the contract will be rejected.** Also, if you do not choose the lowest bid, please explain why.
- The budget information **must be completed**, specifically including the amount of the expense and whether it is a budgeted expense. Since this is part of the determination of who can sign the contract, if this information is not provided, the contract will not be processed.
- The contract must contain **all** pertinent or referenced information, exhibits, and attachments. **Ensure there are no referenced sections that are not included with the document.** If you are submitting a credit application that asks for “credit amount requested”, “authorized purchasers”, or other information that is specific to the property for that vendor, please ensure you include that information on the RFLS to avoid delays in processing.
- If the contract is an addendum or renewal, confirm with Legal that a copy of the original contract is on file. If not, then you must provide a copy of it, or your contract will be delayed. You may have to request a fully-executed copy of the agreement directly from the vendor, if Legal has not been able to secure one, before work may begin. Also, we must have a fully-executed copy of the Agreement on file **before payments may be**

**made.**

- If the contract includes a capital expense, a copy of the signed Project Initiation Form (“PIF”) must be included with the submitted RFLS, or it will be rejected.
- **CERTIFICATES OF INSURANCE:** If the contract requires a certificate of insurance, you must obtain a certificate from the vendor before work begins (*Some examples of service contracts that would meet this requirement are landscaping, pest control, and elevators*). Certificates can be easily obtained by the vendor from its insurance company. **The certificate must name the Hotel’s [Lessee/Operator] entity, Remington Lodging & Hospitality, LLC, and their subsidiaries, partners, affiliates, and operating entities as “additional insureds”. If you are unsure of any of these names, contact the Legal Department.** The “Certificate Holder” should be the [Hotel dba name], c/o “Remington” at the corporate address and sent to your Senior Contracts Administrator (Sandra or Lugene) via fax (972-980-2705), email (preferred), or mail. If you are unsure of the correct legal entity names for the vendor to name in the certificate, contact either Sandra Dixon, and Lugene Friedholm.
- Once the contract has been signed, you and the Hotel will be copied on the contract at the same time it is forwarded via email to the vendor. If vendor signatures are still necessary, the Legal Department will follow up directly with the vendor for counter-signatures. If you receive a counter-signed copy of the contract from the vendor directly, please ensure that you forward a copy to Sandra, Lugene, Kat. The Hotel should keep a copy for their records.

The GM is responsible for negotiating contract terms. The Legal Department will deal directly with vendors only in relation to change in terms made by Remington’s Legal Department and in regard to delivery of the documents. Please remember some basic rules to aide in smooth processing of contracts:

- ✓ Contract terms should be no greater than one year (except airline crew room contracts and certain equipment rental contracts, i.e., copiers, postage meters) whenever possible;
- ✓ Thirty-day cancellation clause, with or without cause, without penalty, at any time during the contract term (especially, if term is longer than 1 year);
- ✓ Either NO auto renewal, or month-to-month renewal after expiration of the initial term, if applicable, with 30-day no penalty termination; and
- ✓ Please plan ahead for getting contracts signed; anticipate that **it may be as much as two (2) weeks** from the time you originally submit the RFLS to your DVP before you receive the signed contract back.