



**2020 SALES BONUS PLAN
AREA DIRECTOR OF SALES & MARKETING**

I. PURPOSE

The purpose of the Remington (“Company”) Area Director of Sales & Marketing Bonus Plan (the “Plan”) is to: (1) focus the attention of the Area Director of Sales & Marketing on achieving Company Drivers, (2) reward an Associate for attaining and/or surpassing goals set against the Company Drivers, and (3) reward an Associate’s commitment to the Company for continuing to be employed when a bonus is paid.

II. PLAN YEAR

The Plan is in effect from January 1, 2020 through December 31, 2020 (the “Plan Year”).

III. PLAN ELIGIBILITY

An Associate is eligible to participate in the Plan if the following conditions are satisfied:

- A. Quarterly Bonus- The Associate becomes eligible for the bonus beginning the first full month after they receive their goal (*e.g. received goal March 15th – bonus eligibility April 1st*). If the associate’s goal starts after the start of the quarter, the bonus will be prorated to cover the goaled months.
- B. Annual Bonus- If the Associate is hired after the start of the Plan Year and prior to October 1st of the Plan Year, any awarded bonus will be prorated to cover the period employed during the Plan Year.
- C. The Associate must be employed by the Company on the date a bonus is paid.
- D. The Associate must be in good standing and cannot have received a written reprimand reflecting a violation of Company policies or procedures. A Performance Improvement Review will not necessarily preclude eligibility under the Plan.

IV. PLAN PARTICIPATION AND AWARD DETERMINATION

If an Associate is eligible to participate in the Plan, the CEO of the Company, in the CEO’s sole and absolute discretion, may award a bonus to the Associate. Although the award of a bonus is completely discretionary, the CEO is generally guided by the following objective and quantifiable criteria:

V. QUARTERLY BONUS

A. The associate has the opportunity to earn a total quarterly bonus of up to 30% of quarterly earned salary based on the following:

1. The Associate’s hotel must achieve positive revenue pace movement in calendar year 2020 and/or 2021 quarter over quarter at assigned properties. If this threshold is met, the Associate may earn up to 50% of the quarterly bonus potential (15% of the Associate’s quarterly earned salary, prorated by number of hotels) paid quarterly.

~Property may earn incentive for each calendar year with positive pace improvement

~Each calendar year is valued at 25% of the quarterly bonus potential (7.5% of earned salary) – see examples below

<u>POSITIVE PACE BOTH YEARS 2020 / 2021</u>	
Q1 2020 Revenue Pace = -\$40,000	Q1 2021 Revenue Pace = -\$4,000
<u>Q2 2020 Revenue Pace = -\$22,500</u>	<u>Q2 2021 Revenue Pace = -\$2,500</u>
2020 Positive Pace = +\$17,500	2021 Positive Pace = +\$1,500

<u>POSITIVE PACE ONE BUT NOT BOTH YEARS 2020 / 2021</u>	
Q1 2020 Revenue Pace = -\$40,000	Q1 2021 Revenue Pace = -\$4,000
<u>Q2 2020 Revenue Pace = -\$42,500</u>	<u>Q2 2021 Revenue Pace = -\$2,500</u>
2020 Negative Pace = -\$2,500	2021 Positive Pace = +\$1,500

If DOS makes only one goal, the eligible bonus is based on that property pro-ration only.

If DOS makes multiple goals, then eligible bonus is based on all properties.

SCENARIO 1: DOS has 2 hotels – quarterly earnings are \$12,500

A. DOS improves revenue pace for one (1) year at Hotel A

Bonus would be = \$12,500 X 3.75%

(3.75% for each year with improved pace/per hotel – 3.75% X 1) = \$468.75

B. DOS improves revenue pace for both (2) years at Hotel A

Bonus would be = \$12,500 X 7.5%

(3.75% for each year with improved pace/per hotel – 3.75% X 2) = \$937.50

C. DOS improves revenue pace for both (2) years at Hotel A and one (1) year at Hotel B

Bonus would be = \$12,500 X 11.25%

(3.75% for each year with improved pace/per hotel – 3.75% X 3) = \$1,406.25

D. DOS improves revenue pace for both (2) years at Hotel A and Hotel B

Bonus would be = \$12,500 x = 15%

(3.75% for each year with improved pace/per hotel – 3.75% X 4) = \$1,875.00

SCENARIO 2: DOS has 3 hotels – quarterly earnings are \$12,500

Same calculations apply as above with a multiple of 2.5% for each year with improved pace/per hotel for a maximum of 15%. (3 hotels X 2 calendar years 2020/2021 = 6 X 2.5% each = 15%)

Other Qualifiers

~If assigned properties have zero (\$0) revenue on the books for a future year, there will be no incentive earned for that year; however, the quarterly potential will be based on current year positive pace. (15% of the Associate's earned quarterly salary)

~If a property does not have a group goal, the Director of Sales may earn up to 50% of the quarterly bonus potential (15% of the Associate's earned quarterly salary) if they achieve the quarterly RPI Goal.

~Weighting of quarterly bonus may be applied based on the goal allocation. Specific plan to be provided for applicable properties.

2. The Area Director of Sales & Marketing must achieve 95% of assigned properties booking goals (roll up all booking goals for all assigned properties). If this threshold is met, the Associate may earn up to 50% of the quarterly bonus potential (15% of the Associate's earned salary) paid quarterly.
- A. Pinnacle Club Eligibility: The Top Five (5) Directors of Sales in the company may qualify for the Pinnacle Club. Area Directors of Sales must achieve 100% of Booking Revenue Goal for their combined assigned hotel(s) and must have a combined positive RevPar Index (RPI) for the last rolling 12 months in order to be considered eligible for this program. The Director of Sales must be employed and have goals assigned by October 1 to be eligible.

VI. ANNUAL BONUS

As a threshold for annual bonus, an Associate's assigned properties must achieve Annual RevPar Index (RPI) Goal. If this threshold is met, the Associate may be awarded up to 5% of the Associate's earned salary (paid annually). Each hotel is measured independently and prorated based on the number of hotels.

- A. Any annual bonus awarded will be paid in the first quarter of the year following the Plan Year. A bonus paid to an Associate is not an indication that another associate of the Company will receive a bonus. A bonus is determined on a case by case basis in the sole and absolute discretion of the CEO. At no time will a bonus accrue during the course of the Plan Year.
- B. As a threshold for the Annual Bonus, an Associate's assigned hotel(s) must achieve Annual RevPar Index (RPI) Goal. The Associate's assigned hotel(s) must (1) be ranked in the top 50% in guest service for the brand or independent for the Plan Year, (2) achieve a 50% flow through for the Plan Year and for the 4th Quarter versus Prior Year.

VII. MISCELLANEOUS

The Plan supersedes and replaces any bonus plan for which an Associate is eligible. The Plan is not an employment contract and does not represent any agreement between the Company and the Associate. The Company has the right to amend or terminate the Plan at any time without notice. Any amendment to the Plan must be in writing and signed by the CEO.