This purchase order replaces PO# 650000630

Please see attached document for agreement and pricing.

The University of Tennessee conforms to all applicable rules, regulations and relevant orders of the Secretary of Labor. Affirmative action clauses and supporting regulations are incorporated by reference 41 C.F.R. 60-1.4 sections 60-250.22, 60-741.22 and C.F.R. 61-250.10.
Purchase Order 5500006667

NOTICE OF EXTENSION

Original validity period: 8/16/2013 – 8/15/2016

Current validity period: 8/15/2016 – 8/31/2017

Extensions: 1 additional extension of 1 year

Vendor contact:
Rep’s Name: Tracy O’Connor, Sales Manager
Phone: (865) 251-2573
Email: toconnor@hiltonknoxville.com

This agreement is extended to all University of Tennessee campuses and institutes.

This purchase order is governed by the terms and conditions of the master agreement #8500024197, dated 12/7/2011 between Knoxville Hilton, LLC and The University of Tennessee.

Items listed below will not be purchased at one time but over the term of the agreement.

To book online:
www.knoxville.hilton.com
Apply arrival and departure dates in upper right corner and click for availability. On availability screen to the left is a box that says "Add Special Rate Code" Click and apply the corporate ID code N9870018 in box. This will apply the negotiated rate.

To access the event order form for conferences and groups:
http://treasurer.tennessee.edu/travel/

1) Rates:
   a. Sleeping Rooms for Individuals:
      i. **CONUS rates**: The Hotel will offer CONUS rates as listed by the U.S. federal government’s General Services Administration. CONUS applies to the hotel’s standard guest rooms only and is based upon hotel availability. Rate excludes blackout dates and sold-out dates. Blackout dates may be added or changed so please confirm rate at time of booking.
         1. Blackout dates: See below under **Blackout Dates**. Dates may be added or changed. Please check with Hotel to confirm
         2. Blackout room rate: 10% discount on published best available rate at time of booking. Published best available rate can be found
online at www.hiltonknoxville.com. The 10% discount will be applied to the hotel’s rate at time of booking.

b. Sleeping Rooms for Conferences and Groups:
   i. CONUS rates: The prevailing CONUS rate will be honored for University group room blocks for the duration of the contract, excluding blackout dates. This rate applies to the hotel’s standard guest rooms and is based upon hotel availability. Blackout dates may be added or changed so please confirm rate at time of booking.
      1. Blackout dates: All University of Tennessee home football weekends and sold-out dates. See list of blackout dates below at Blackout Dates.
      2. Hotel guest room availability changes on a daily basis. Availability for group room blocks may vary due to demand. The further in advance the hotel is notified to reserve a room block, the greater the chances are the entire block of standard guest rooms being available.
   ii. Complimentary Sleeping Rooms: When a University group books a minimum of 40 sleeping rooms, the hotel will provide one complimentary room for that stay.

c. Self-Parking: No charge

d. Wireless Internet: No charge

e. Audio-Visual: The University may contract with a third party for audio-visual equipment and sound technicians, or may provide University-owned equipment. The hotel staff will cooperate with the third party to accomplish the required arrangements. There will not be a set-up fee for using third party suppliers or equipment, unless it is agreed to in writing by the University. The hotel's in-house audio visual company is PSAV and an experienced technician is onsite during each event requiring audio visual.
   i. Charges: Charges for the hotels audio-visual equipment must be agreed to by the University in writing in advance of the event.

f. Food and Beverage: For banquets and catering there is a 25% discount on current published menu prices.
ii. **Service Charges:** Will be capped at 20%

iii. **Additional Fees:** The hotel will not impose any additional fees or surcharges, setup charges, service charges, gratuities, deliveries, package handling, waiter fees, safety/fire requirement charges, insurance costs, energy surcharges or storage costs that have not been previously authorized in writing by the University.

**g. Meeting Space:** If the group room block or food and beverage purchases are not sufficient to receive complimentary space, the hotel will discount the published price list of meeting space at 50%.


ii. **Banquet Equipment:**
   - (59) 60" round tables- seating for 10 people
   - (14) 48" round tables- seating for 6 people
   - (82) 6' classroom tables- seating for 3 people
   - (28) 8' classroom tables- seating for 4 people
   - Banquet chairs
   - White tablecloths
   - Black and white table skirts
   - Option of black, white, green, red or orange napkins
   - Risers/Stage
   - Lectern
   - Dance floor
   - Food & beverage service supplies
   - All tableware including plates, glasses, flatware, centerpieces

iii. **Signage:** The hotel will provide one complimentary easel for signage at each meeting room doorway, if requested. The hotel also provides wall-mounted signage at each meeting room entrance, customized to the University's specifications.

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2) **Blackout Dates** *

**2016**
- August 19 & 20
- August 28 & 29
- August 31
- September 1
- September 9 & 10
- September 16 & 17
- September 23 & 24
- October 14 & 15
3) Cancellation
   a. Sleeping rooms: If cancellation is needed, guests will have until 11:59 PM on the
day prior to arrival to cancel their reservation.
      i. Blackout Dates: On blackout dates, including any home football
weekend, guests will need to cancel their reservation no later than 14
days prior to arrival.
      ii. Late Arrivals: Guests requiring late arrival must contact the hotel and
provide a valid credit card, along with their estimated time of arrival. If a
credit card was given to confirm the reservation, the reservation will
automatically be guaranteed for late arrival.
      iii. Charges: University guests will incur a charge of one night’s room rate,
and all taxes, if the hotel is not notified of cancellation, or if the
notification is made after the applicable cancellation period.
      iv. Early Departure: Waived if notified at check-in. Otherwise, subject to
one night’s room charge.
      v. Late Checkout: The hotel will make every effort to extend a late check
out to any University guest, based upon hotel availability. Late check out
times may vary due to hotel occupancy.
      vi. Direct-bill Guest Rooms: Guest rooms direct-billed to The University of
Tennessee do not require a credit card on file. If a cancelation is needed,
guests will have until 11:59 PM of the day prior to arrival to cancel their
reservation. On blackout dates, including any home football weekend,
guests will need to cancel their reservation no later than 14 days prior to
arrival.
         1. The University will incur a charge of one night’s room rate, and all
taxes, if the hotel is not notified of cancelation, or if the
notification is made after the applicable cancelation period.
b. **Events**: The University may cancel an event at the Hilton Knoxville with no penalty if the hotel is notified at least 30 days prior to the start date of event. For overnight guest rooms associated with an event, or a group consisting of guest rooms only (no meeting or event space), the hotel must be notified at least 30 days prior to the arrival date.

4) **Attrition**

a. **Group Room Block (GRB)**: The University and hotel will review GRB and meeting space 21 days prior to the event and, if necessary, the University will make adjustments to the GRB and meeting space without penalty. This will be the cut-off date.

i. The University will be responsible for a portion of nights not utilized on a cumulative basis below eighty percent (80%) of the total GRB after the cut-off date. This will be considered attrition damages and these will be capped at seventy-five percent (75%) of the negotiated room rate, multiplied by the number of rooms below 80% of the GRB after the cut-off date. This amount shall be deemed to include all applicable service charges and taxes, and shall constitute full and complete settlement of any and all obligations that the University may have in conjunction with attrition damages.

ii. The GRB will be credited for any and all reservations made and used by the University meeting attendees, regardless of the rate paid or method of booking, including all reservations made after the cut-off date.

iii. If the hotel achieves occupancy levels above 90% on peak nights of a University event, or if it becomes sold out on any night of a University event, the University will not be required to pay attrition damages.

iv. If attrition damages are caused by one or more force majeure events, the University will not be liable for attrition damages. Force majeure events include acts of God, war, government regulation; actual, threatened or suspected terrorism; disaster; outbreak of disease in Knoxville or surrounding area; strikes; civil disorder; curtailment of transportation, or any cause, that makes it impossible for 25% of the attendees to attend the meeting. This would also include a threat of an imminent natural disaster that interferes with the hotel’s operations or the ability of attendees to safely travel to Knoxville. Under any of these circumstances, it is agreed that the University would not be liable for failure to meet GRB or food & beverage minimums for the event. The University would be liable for actual services and food & beverage used.

v. For purposes of calculating attrition damages, the hotel will provide to the University or its representative, within 30 days, records reasonably
required to substantiate any damages claimed by the hotel. The hotel general manager will certify that records are complete and accurate.

5) Group Room Block
   a. Reservations: Reservations will be made directly by attendees via telephone or online. Hotel will provide, at no cost, a personalized reservation code for group attendees to make their reservations online and at the negotiated GRB rate. A Personalized Online Group web link will be provided to allow guests to make reservations online with the University department's logo, established dates, and pertinent information regarding the event listed on the webpage.
      i. Confirmations: The hotel will email reservation confirmation pages directly to each guest as long as a valid email address is provided during the reservation process. This email confirmation is sent automatically when guests book on the Hilton Knoxville website or when using the Personalized Online Group web link.

   b. The hotel will not sell rooms from the GRB until after the cut-off date, without written consent by the University.

   c. The University would be able to terminate, without liability, an event if one of the conditions described under Force Majeure were to exist.

   d. The hotel will allow the GRB to be exceeded at the agreed-upon rate, as long as any standard guest rooms remain available for sale by the hotel. These rooms must be reserved prior to the group's cut-off date.

   e. Reports: The hotel will provide the University department reserving the GRB with a weekly report beginning twelve weeks prior to the meeting dates. This report will include number of rooms blocked, number of rooms reserved, remaining rooms available for sale within the hotel, and if applicable, potential attrition damages.

   f. Incentives:
      i. Complimentary valet parking for two (2) VIP's for every 40 rooms occupied. This will apply to conference/group blocks.
      ii. One (1) upgrade to Executive Level for every 40 rooms occupied. This will apply to conference/group blocks.
      iii. Access to the Concierge Lounge for up to two (2) designated VIP's with each conference block.
      iv. Complimentary Starbucks Tall beverage upon check-in for five (5) designated guests with each conference/group block.
      v. Complimentary Personalized Online Group Web Page for each conference/group block.
vi. Complimentary amenity (Chef's choice) for up to 2 designated VIP's for every 40 rooms occupied. This will apply to conference/group blocks.

6) Conferences and Meeting Space
   a. Meeting Space: No contracted meeting space will be released or revised without the University's prior written approval. Should the hotel have additional needs for contracted space, the University agrees to monitor attendance and work with hotel on possible program format changes to allow the hotel to optimize their meeting space.
   
   b. Banquet Event Order: The University will provide the hotel with an estimated attendance and a script for food and beverage functions. The hotel will provide a banquet event order, including pricing, to the University at least 30 days prior to the event. The University will provide attendance guarantees at least 72 hours prior to the scheduled event. The terms and conditions of this RFP and subsequent PO or contract will supersede any language in the hotel's banquet event order forms or similar documents.
   
   c. Supplies & Equipment: The hotel will provide, at no cost to the University, sufficient quantities of standard meeting and banquet supplies and equipment, such as tables, chairs, platforms, risers, lecterns, food and beverage service supplies, and other standard function room setup materials to accommodate the University's requirements. The hotel warrants that sufficient supplies exist in its inventory or it will arrange to provide them at no cost. Any exceptions must be agreed to in writing by the University. The hotel will provide the set-up and service equipment to accommodate all groups booked at the hotel. If shortages occur, the hotel will make arrangements to secure appropriate equipment and supplies.
   
   d. Storage: Based upon meeting space availability, secure storage room(s) can be provided, and may be available within 24 to 48 hours before an event.
   
   e. Upgrades: The hotel will provide complimentary upgrades to Luxury Parlors based on availability for VIPs associated with University events. The hotel will provide complimentary upgrades to our Executive Concierge Level based on availability for VIPs associated with University.

7) Oversell Procedure (“Walking”)
   In the rare event the hotel does not have a room available for a guest with a confirmed reservation; complimentary accommodations will be provided for one night at a nearby comparable hotel.
a. **First Night:** The hotel will provide complimentary transportation to and from the hotel and will absorb the cost of two long-distance telephone calls. The hotel will bring the displaced guest back to the hotel the next day, or as soon as a guest room becomes available, and will make their accommodations available on a priority basis. The hotel will provide a hand-written apology card and an amenity basket will be presented to the guest.

b. **Additional Nights:** If, after the first night, the hotel is still unable to accommodate the guest, the hotel will make arrangements for their entire stay, pay any difference if the rate is higher, and provide transportation between properties. The displaced room(s) will be counted toward the GRB for room night usage purposes.

8) **Contract Administration**

a. **General:** All of the hotel's employees and agents will comply with all federal, state and local laws pertaining to the sale, service or furnishing of alcoholic beverages. It is hotel policy, and the hotel agrees to not serve alcoholic beverages to anyone under legal drinking age or to anyone who appears intoxicated. Hotel agrees to hold the University and its officers and employees from any claim, liability or expenses including attorney's fees and costs arising out of the sale or service of alcoholic beverages to University guests.

b. **Remodeling/Construction:** No substantial remodeling or construction of its facilities would take place that would interfere with a University event. Hotel agrees to notify the University as soon as feasibly possible of any planned construction, remodeling, or redecorating that will affect the use of guest rooms, meeting space or public facilities; and that comparable space will be provided to accommodate the planned University event. The hotel agrees that, should comparable space not be provided, the University in its sole discretion may cancel this agreement without any liability to the hotel and receive a full refund of any monies paid to the hotel.

c. **Conflicts:** The hotel will notify the University in writing as soon as feasible of any potential conflicts or events that may affect the University's peaceful use of and access to the reserved facilities. If the hotel is unable to resolve this conflict, the University may, in its sole discretion, cancel this agreement without penalty and receive a full refund of any monies paid to the hotel.

d. **Invoices:** The hotel will provide an invoice detailing complete supporting documentation for each charge that will be paid by the University. Supporting documentation will include dates, location, goods or services provided, quantity and unit price.
i. **Contested Charges:** The University has the right to examine detailed back-up for all charges listed on the invoice, and contested charges will be exempt from any interest accrual or late charges until resolved to the satisfaction of the University and hotel.

e. **Account Review:** The hotel will work with the University to review the account, which would include both GRB's and individual University guest reservations; monitor account activity; and discuss usage reports. It is the hotel's desire to review these with the University on a monthly or quarterly basis as desired by the University.

f. **Groups & Events:** For groups and events, the hotel will provide the University department reserving the GRB with a weekly report beginning twelve weeks prior to the meeting dates. After each group departs, the hotel will provide the University department with a final consumption report that will contain guest names, arrival and departure dates, total number of room nights, and the rate amount. The hotel will review this in detail with each department.

   ii. **Group Resume:**
   The hotel will set these rates and terms for the period specified, and all hotel staff will be made aware of the terms of this contract verbally and electronically to all departments. The hotel staff reviews all daily business needs every morning, including but not limited to incoming arrivals, departures, guest requests and needs, and VIPs. Each of the University's GRB’s will have a "Group Resume" associated with it, which is distributed to all of the hotel's staff members. This resume includes the name of the group/event, dates of event, number of rooms per night, group contact name and phone/email, purpose of event, special requests, breakdown of room types reserved, shuttle or transportation schedules, VIPs associated with group, meeting agenda, and other pertinent information given by the group contact. These are reviewed daily.

g. **Reports:** For individual University travelers and guests not associated with a GRB, the hotel will provide the University with a monthly or quarterly report that will contain guest names, arrival and departure dates, and the rate amount, utilizing the University's booking code.

   The Hilton Knoxville will submit quarterly sales reports showing the number of guest rooms and conference rooms consumed during the quarter, utilizing the unique University billing/booking codes. For groups and events, the hotel will provide the University with a final consumption report that will contain guest names, arrival and departure dates, total number of room nights, and the rate amount.

h. **Booking Codes:**
iii. **Individuals**: The hotel will establish a unique booking code aligned with the University rates that will be utilized to book all individual transient University guest rooms not associated with a GRB. This unique booking code for individual travelers will not change throughout the duration of the contract.

iv. **GRB**: The hotel will establish a separate booking code for each GRB, specific to the department. Each GRB must have its own unique booking code, to ensure University guests are reserving guest rooms under the correct group block.

9) **University Incentives**

a. The Hilton Knoxville will offer 10% commission on guest rooms to World Travel Service, Inc., for all individual University guest rooms booked through World Travel Service, Inc., utilizing the unique booking code assigned for individual reservations. Commissions are paid on a monthly basis and will be sent directly to World Travel Service, Inc. A travel agency commission report will accompany this payment. The hotel will track reservations utilizing World Travel Service's designated International Air Transport Association (IATA) number, for payout of commissions.

b. University guests may earn Hilton Honors points on individual guest room reservations, (whether booked by the guest or travel agency), if their room and tax are paid for by the guest.

c. The University may earn points for individual guest rooms that are being direct billed to the University of Tennessee. The University may also earn points for events booked with the Hilton that have a minimum spend of $1,000. Eligible charges may include those for guest rooms, meeting rooms and catering (excluding taxes and service charges). University points will be posted to Hilton Honors #146985097.

This agreement is based on the following:

1. RFP collective #30001571, RFP #6000043067
2. RFP Response #7000107100
3. Master Agreement #8500024197

Any questions regarding this agreement should be directed to Abbie Shellist at ashellis@tennessee.edu