



## Hotel participation Agreement at a glance

In order to participate in the lawsuit against Booking.com, you have to agree to the contractual terms as set forth in the Participation Agreement. Admittedly, the provisions in the Participation Agreement are quite extensive. This is due to the fact that a large number of hotels from all over Europe will be participating in the lawsuit and all parties involved must be clear about the respective rights and obligations of the contracting parties, also to withstand scrutiny from Booking.com and the courts. For your convenience, we have summarized below what we consider to be key elements of the contractual relationship.

1. Your hotel assigns its claim for damages against Booking.com to the '*Hotel Claims Alliance*' Foundation (clauses 2, 3 and 5 of the agreement). In addition to the assignment, and for the event assignment will be deemed for whatever reason to not have been valid, you also give the Foundation a mandate to pursue the claim on your behalf (clause 6 of the agreement). The interests of the participating hotels will be adequately represented by representatives of the hotel industry that sit on the Foundation's Advisory Board.
2. By signing the Participation Agreement, your hotel loses the power of disposal over the claim. You can therefore no longer assert the claim yourself nor through other collective action initiatives (clauses 6 and 8.3 of the agreement).
3. The Participation Agreement cannot be terminated (clause 14 of the agreement).
4. The Foundation will pursue your claim together with the claims of all other participating hotels against Booking.com. The Foundation will assess and decide in its sole discretion, when, how and to what extent it will pursue the Claim (clause 7.1 of the agreement). If, in the opinion of the Foundation, there is no longer sufficient prospect of success, the Foundation may discontinue the legal action, and you are in this case entitled to get your claim re-assigned to you (clause 7.2 of the agreement).
5. Your hotel will not be a direct party to the legal dispute. The statement of claim will be in the name of the Foundation and state that your hotel – together with many other hotels in Europe – has joined the lawsuit and assigned the claim to the Foundation. However, as the proceedings will materially evolve around your hotel and its claim, further data, information and documents may be requested from you and any data, information and documents you provide to the Foundation should be true and correct (clauses 8.2 and 9.2 of the agreement).

6. Participation in the lawsuit against Booking.com is completely free of charge for you. There are no participation fees, and you do not bear any cost risks. All costs for the enforcement of your claim, including court fees, lawyers' fees and the costs for competition economists etc. will be covered by the Foundation (clause 8.1 of the agreement). In case the action was unsuccessful, the Foundation would also cover the adverse costs (clause 9.1 of the agreement).
7. In the event of success on the basis of the agreement:
  - a. You will receive 70% of the proceeds that have been realised in relation to your claim (clauses 4.1 and 4.2 of the agreement). In the event of success on the basis of the mandate, a similar mechanism will apply (clauses 4.4 and 4.5 of the agreement).
  - b. Before the proceeds are distributed, the amount of the legal and other costs actually incurred by the Foundation will first be reimbursed twice (clauses 4.2 and 4.4 of the agreement). However, this reimbursement is expected to be low compared to the total claims value.
  - c. The distribution of your 70% profit share to you will be made automatically by the Foundation after it has received payment from Booking.com (clause 4.3 of the agreement). The distribution is subject to the applicable VAT regulations, under which the Foundation will issue invoices (clauses 4.6-4.8 of the agreement).
8. There is no guarantee that your claim will be successfully realised (clause 10.1 of the agreement). The duration of the procedure cannot be anticipated either.
9. Both you as well as the Foundation shall observe confidentiality (clause 11 of the agreement).

Please note that the above information is for convenience only and is not legally binding. It shall not modify, supersede or complement the content of the Participation Agreement (clauses 16.2 and 16.5 of the agreement).