

Privilege Rewards Program

Lotte Hotel Privilege Membership Terms& Conditions

The following pertains to special services and benefits, and awards from the LOTTE Hotels & Resorts Privilege Reward Program (hereafter called "This Program"). All terms are according to the unique perspective of LOTTE Hotels & Resorts and were made to protect its members. LOTTE Hotels & Resorts has the right to make changes to This Program's regulations, conditions, special benefits, or program-related awards, as necessary in accordance with internal circumstances or changes related to LOTTE Hotels & Resorts or its affiliates.

Article 1 Membership Overview

1-1 These Terms and Conditions are regarding LOTTE Hotels & Resorts' provision of a rewards program and special benefits to Privilege members upon their use of hotels and resorts, and was written with regard to the services offered to the members.

1-2 The scope of services by LOTTE Hotels & Resorts that is subject to these Terms and Conditions is as follows.

- ① LOTTE Hotels & Resorts(Seoul, World(Seoul Jamsil), Busan, Jeju, Ulsan, Hanoi , Legend Saigon, Guam, Moscow)
- ② L7 Myeongdong
- ③ LOTTE City Hotels(Gimpo Airport, Seoul Guro, Seoul Mapo, Myeongdong, Daejeon, Jeju, Ulsan, Kinshicho)
- ④ LOTTE Resort Buyeo
- ⑤ Other LOTTE Hotels & Resorts that will be opened in the future

LOTTE New York Palace, LOTTE City Hotel Tashkent Palace, and LOTTE Resort Jeju will be excluded from the scope of services.

1-3 "LOTTE Duty Free Shops" in these Terms and Conditions refer to those within Korea, and are not applicable to branches in other countries and internet DFS.

- 1-4 The Privilege Rewards Points that are used in these Terms and Conditions will be called "P points".
- 1-5 Changes may be made to privileges and special benefits for members and the P point system in accordance with internal circumstances or changes in partnership related to Lotte Hotels & Resorts or its affiliates, when such changes are acknowledged as necessary. Members shall be notified in advance regarding the reason for the change and the changed items through at least 2 of the following methods: website, written notice or e-mail. However, if changes are unavoidable due to reasons such as an affiliate's unilateral change in partnership conditions or bankruptcy, natural disaster, or sudden changes in the business environment, members may be notified after the fact. If members do not present any objection within 1 month of receiving the notice of change, this will be regarded as an act of giving consent to the changed Terms and Conditions. Members who do not agree with the changes in Terms and Conditions may still use their existing P points for 1 year after the date of the change in Terms and Conditions. Any P points remaining after the end of this withdrawal process will expire.
- 1-6 If LOTTE Hotels & Resorts terminates This Program, it must be announced on the membership website and hotel website at least 6 months before termination. At least 1 e-mail shall be sent to all members notifying them of this fact.
- 1-7 The points remaining at the 1 year mark after the notification of this Program's termination will automatically expire and all privileges and services will no longer be offered.
- 1-8 The interpretation of all regulations and exemptions regarding the program will be interpreted reasonable in accordance with relevant laws and commercial practices.
- 1-9 If any part of the application and membership rules regarding This Program violates the compulsory laws of the applicant or member's residential area, the application for membership may be canceled for the relevant member.
- 1-10 These Terms and Conditions have referenced international practices and have been composed in accordance with the laws of the Republic of Korea.

1-11 The court of jurisdiction for the 1st trial over any conflicts that arise regarding these Terms and Conditions will be the court of jurisdiction over the member's place of residence or business in South Korea. However, if the member does not have a place of residence or business in South Korea, the court of jurisdiction for the 1st trial will be the Seoul Central District Court.

Article 2 Membership Registration and Account Creation

2-1 Individuals of at least 19 years old may register as a member for free, and each member will be given one membership number and account.

2-2 A Member may not have more than one membership account. Should there be multiple accounts, all except one membership account(selected at random) will be deleted.

The points on the deleted accounts will be merged into the remaining membership account.

2-3 The membership card may be printed through the company website or downloaded via mobile phone and used. If an actual card is desired, the request may be made through the company website. Delivery may take at least 2~4 weeks by post mail.

2-4 During registration, members may select whether to disclose their personal information to 3rd parties.

If consent is not given, P points for Lotte Hotels & Resorts' partner hotels and affiliated companies, Lotte Duty Free Shops, etc. cannot be earned or used and other affiliate services cannot be offered.

2-5 Members cannot randomly dispose of points, special benefits, and various privileges that are earned and offered through this Program. They cannot be sold or transferred to others for any reason whatsoever, aside from inheritance or succession, and may not be offered for the right to pledge or other such purposes.

Article 3 Membership Rights and Cancellation

3-1 Members have the right to ask Lotte Hotels & Resorts regarding various privileges, special programs, and earned P points, and Lotte Hotels & Resorts may inform the member of matters regarding changes to the program, useful hotel information, and the member's earned P points through methods that they deem appropriate.

However, if members do not agree with receiving e-mails or SMS and for notifications via mail, Lotte Hotels & Resorts has no responsibility for any disadvantages experienced by the member as a result of loss or delay of mail.

3-2 If any changes are made to address or other member information, members are obligated to notify LOTTE Hotels & Resorts. The member will be responsible for any disadvantages they experience for their failure to notify the fact.

3-3 Points will expire 3 years after the year they were earned. However, membership rights will remain effective until the member withdraws, and if the member withdraws for reasons not attributable to LOTTE Hotels & Resorts, all unused points until the point of withdrawal will expire

once the withdrawal is effective. Expired points cannot be restored, and will be unavailable for use once they expire.

3-4 If a member violates the program's rules or terms through behaviors such as selling member benefits, privilege vouchers, etc. without a legitimate reason or takes part in illegal acts that violate other laws, ordinances, etc., LOTTE Hotels & Resorts may terminate the member's rights.

3-5 The termination of member rights in Article 3 and 4 refers to the expiration of earned points and the termination of various privileges and use of special benefits.

3-6 The personal information of members who do not use the company's services by not logging into the website for 1 year will be separated and stored, in accordance with the Personal Information Effective Term of Article

29 Paragraph 2 of the law regarding the promotion of information and communication network and protection of information, and such members may receive limited service.

Article 4 Points Earned

4-1 Members may earn P points according to the program's terms and regulations. P points cannot be earned through multiple numbers, and the P points earned with one number may not be combined or exchanged with that of another number by different owner.

4-2 P points are rewarded according to the accumulation rate (worth 3-6% of the amount paid) of the member's level for the cost of rooms and food and beverages charged to

the room, by exchanging the incurred costs into US Dollars after the member's stay. In this case, a separate USD exchange rate that is used by the hotel will be applied, and this exchange rate will be informed through the company's website.

4-3 100 points are worth of 1 USD.

4-4 When points are calculated after the member stays at LOTTE Hotels & Resorts in person, the points earned are limited to amounts that were fully and directly paid by the member at LOTTE Hotels & Resorts after presenting their membership number. Points will only be rewarded for food

and beverages if the amount was charged to the rooms, and points will not be rewarded if only food and beverages are purchased.

4-5 A person must be a registered member in order to earn points, and there must be evidence that they paid for their stay at LOTTE Hotels & Resorts. Points will not be rewarded for purchases made prior to becoming a registered member.

4-6 The following items are exempt from point accumulation.

- ① Free charges, internet charges from other companies, travel agency rates, airline employee rates, travel agency employee rates, group rates for organizations, receptions, or associations, contract room rates (rooms that were reserved for long-term use for a set period of time that was discussed between corporations, government agencies, or individuals through a written agreement for a settled price)
- ② Amounts that the member did not directly pay at the hotel (namely, all charges paid to the travel agency, convention, or other organization, fees paid to 3rd parties, etc.)
- ③ Other fees including fees for using the phone or mobile phone in rooms, fees for using the laundry, paid TV, or business center, fees for purchasing internet or retail products, taxes, labor fees, and transportation fees
- ④ Fees for getting a rental car, massage, etc. from businesses and additional facilities, fees for food and beverages from shops not under hotel management
- ⑤ Fees for using the fitness center, sauna, spa, or casino
- ⑥ Fees for using trial programs in the hotel

- ⑦ Fees for free-incentive package trips, outside service fees for free accommodations and food and beverages, or all reception fees
- ⑧ Vouchers and coupons sold by travel agencies
- ⑨ Membership fees and card purchases for all special programs that are managed and run by membership at LOTTE Hotels & Resorts such as the fitness center and Trevi Club, and purchase amounts for hotel gift certificates, buffet tickets, and other vouchers
- ⑩ Amounts used for other guests aside from the member

4-7 If the member stays at the hotel, P points will be rewarded for up to 3 room stays for the same day. However, rooms must be reserved under the member's name, the member must be the one staying in the rooms, and the full cost of all rooms must be paid by the member. The number of

days stayed in one room by the member, number of times used, and the room charge amount are applied to the P points for level determination.

4-8 Points are rewarded the day after payment. However, for amounts paid at LOTTE City Hotel Kinshicho and LOTTE Resort Buyeo, points will be rewarded within 7 business days from the payment date.

4-9 If 2 or more people stay in 1 room, point rewards will be limited to 1 member that actually stayed after making the reservation.

4-10 Points are not rewarded for portions that were paid with points.

4-11 If the member was unable to earn P points because they did not present their membership number, they may request P points through the company's website within 6 months of the payment date, and points will be rewarded thereafter.

4-12 Earned points cannot be duplicated with airline mileage(earn points by selection)

4-13 Points are only applicable when the regulated charge is paid after staying at LOTTE Hotels & Resorts(Seoul, World(Seoul Jamsil), Busan, Jeju, Ulsan, Hanoi , Legend Saigon, Guam, Moscow),

L7 Myeongdong, LOTTE City Hotels(Gimpo Airport, Seoul Guro, Seoul Mapo,

Myeongdong, Daejeon, Jeju, Ulsan, Kinshicho) and LOTTE Resort Buyeo. Points will not be rewarded for purchases at LOTTE Duty Free Shops, overseas partner hotels, and other affiliate stores.

- 4-14 The points offered cannot be exchanged, transferred, or sold. However, if the member passes away, earned points maybe inherited and rights may be transferred to immediate family members only(with submission of documentation) in accordance to legal procedures or customs.
- 4-15 Points that are sold or transferred, as an act of violating the rules of This Program, will be cancelled or forfeited.

Article 5 Use of Points

- 5-1 If points are used at LOTTE Hotels & Resorts and LOTTE Duty Free Shops, members must present their privilege card(temporary card, mobile card, or actual card) or picture ID and notify the representative that points will be used.
- 5-2 Points may be used for rooms and food and beverages at LOTTE Hotels & Resorts if at least 1,000 points(10 USD) are accumulated, and items may be purchased at LOTTE Duty Free Shops if at least 10,000 points(100 USD) are accumulated.
- 5-3 If points are to be used for food and beverages in regions outside of Korea, a voucher must be issued through the company's website beforehand.
- 5-4 For food and beverages, points and vouchers can only be used in stores that are directly managed under LOTTE Hotels & Resorts, and points and vouchers cannot be used if the food and beverages are from stores not under hotel management.
- 5-5 Privilege vouchers can be issued only by the member through the company website for usage, and the type of voucher (denomination units), membership number, member name, and user name must be stated when applying for the voucher.
- 5-6 The issued voucher will expire 1 year after the month of issue.
- 5-7 If the member wants to cancel an issued voucher, the number of the unused voucher must be presented to the Privilege office before its expiration date, and the canceled voucher P points will be restored to the member's account within 7 business days.
- 5-8 Members may apply for a voucher to be issued by designating a user in advance or

transfer their Privilege Voucher to another person in the same way. The Privilege Voucher can only be used by the user stated on the voucher. After the Privilege Voucher has been issued, it can only be used at the designated usage location. If the usage location is at a partner hotel, the member must directly make a reservation with the hotel they wish to use the voucher at.

LOTTE Hotels & Resorts is not responsible for any matters related to the reservation of hotels to be used.

- 5-9 When a Privilege Voucher is used, ID must be presented with the Privilege Voucher in order to verify that it is the user stated on the voucher. If the user cannot be identified, the voucher cannot be used.
- 5-10 If a Privilege Voucher is used in Lotte Duty Free Shops in Korea, a single voucher cannot be split up for use in multiple shops. In addition, it is not possible to receive a refund when you return products purchased from a Duty Free shop but will be rewarded back to P-points in 7 working days.
- 5-11 Privilege Vouchers cannot be exchanged for cash or sold, and vouchers acquired through these means cannot be used.
- 5-12 Any remaining balances on a Privilege Voucher after its usage cannot be refunded or returned to points.
- 5-13 Deducted points or used vouchers cannot be returned or canceled as long as there is no fault attributable to LOTTE Hotels & Resorts.
- 5-14 LOTTE Hotels & Resorts is not responsible for lost or stolen Privilege Vouchers. 5-15 The Privilege Voucher is void where prohibited or restricted by law.
- 5-15 Hotels and other affiliate stores at which Privilege Vouchers can be used can be substituted after a notification, if necessary in accordance with internal circumstances or changes related to LOTTE Hotels & Resorts or its affiliates before or after the fact.
- 5-16 Privilege Vouchers will lose their efficacy in regions where they are prohibited or restricted in accordance with the law.

Article 6 Point Donation

- 6-1 Members may donate their Privilege points to a charity affiliated with LOTTE Hotels & Resorts. The charity affiliated with LOTTE Hotels & Resorts is the Korean Committee for UNICEF. The charity may change according to circumstances and such changes will be announced through the website.
- 6-2 Members may donate points in denominations of 1,000 points(10 USD), 5,000 points(50 USD), 10,000 points(100USD), and may donate through the company website.
- 6-3 After the points are donated, they conversion record cannot be reverted or nullified.
- 6-4 A receipt for the donated points for income tax deduction will not be issued due to legal issues regarding collection of personal identification information, such as resident registration numbers.

Article 7 Membership Levels and Special Benefits

- 7-1 Membership levels are divided into 4 levels : Platinum, Gold, Silver, and Classic.
- 7-2 Members will be granted the Classic membership rights upon membership registration.
- 7-3 Maintaining or upgrading membership level must satisfy the conditions prescribed by LOTTE Hotels & Resorts.
- 7-4 LOTTE Hotels & Resorts calculates membership level as follows, based on the points used over 1 year for the number of days stayed, number of times the member stayed, and the amount paid for rooms, converted into US Dollars.

1) Classic Level

- Number of times stayed : 0
- Number of days stayed : 0
- Amount paid for rooms : 0

2) Silver Level

- Number of times stayed : 3
- Number of days stayed : 7
- Amount paid for rooms : \$2,000

3) Gold Level

- Number of times stayed : 10
- Number of days stayed : 25
- Amount paid for rooms : \$7,000

4) Platinum Level

- Number of times stayed : 20
- Number of days stayed : 50
- Amount paid for rooms : \$15,000

7-5 Level adjustments are divided into upgrades, maintenance, and demotions.

7-6 Level evaluations and adjustments are reflected during the 1st week of each year based on the usage records for 1 year from January 1 to December 31.

However, level calculations for 2017 will be based on the usage records for 10 months from March 1 to December 31, 2016 and will reflect the following conditions.

1) Classic Level

- Number of times stayed : 0
- Number of days stayed : 0
- Amount paid for rooms : 0

2) Silver Level

- Number of times stayed : 3
- Number of days stayed : 6
- Amount paid for rooms : \$1,667

3) Gold Level

- Number of times stayed : 8
- Number of days stayed : 21

- Amount paid for rooms : \$5,833

4) Platinum Level

- Number of times stayed : 17

- Number of days stayed : 42

- Amount paid for rooms : \$12,500

7-7 Membership levels will be kept until December 31 of the same year.

7-8 Special benefits for each level are as follows.

1) Classic Level

① Rewards points equal to 3% of the amount charged

2) Silver Level

① 3% value of the amount charged + 50% additional reward

(Rewards points equal to 4.5% of the amount charged)

② 10% laundry discount

3) Gold Level

① 3% value of the amount charged + 75% additional reward

(Rewards points equal to 5.25% value of the amount charged)

② 15% laundry discount

③ 5% discount on food and beverages

④ Welcome amenities provided during hotel stays

⑤ 1 complimentary pass to the Club Lounge for an accompanying guest upon staying in a Club Room (must be 14 years or older)

⑥ Room upgrade (This offer depends on room availability at the time of check-in. Club Rooms and Suite Rooms are excluded.)

4) Platinum Level

- ① 3% value of the amount charged + 100% additional reward

(Rewards points equal to 6% value of the amount charged)

- ② 20% laundry discount
- ③ 10% discount on food and beverages
- ④ Welcome amenities provided during hotel stays
- ⑤ 1 complimentary pass to the Club Lounge for an accompanying guest upon staying in a Club Room (must be 14 years or older)
- ⑥ Room upgrade (This offer depends on room availability at the time of check-in. Club Rooms and Suite Rooms are excluded.)
- ⑦ 3:00 PM late check-out (If this offer is unavailable due to hotel circumstances, 1,000 P Points will be compensated.)
- ⑧ 1 complimentary accommodation (1 night) per year (for Standard Double Room, 1 Point will be deducted)

5) General Benefits for All Levels

- ① 10% discount in Naru at LOTTE City Hotel Mapo and Gimpo Airport
(For self only / Breakfast excluded)
- ② 40% discount at Lotte Resort Buyeo's Aqua Garden and sauna. 10% discount at Bondimaseul. (For self only)
- ③ 20% discount on All-Day Passes to LOTTE World Adventure (Up to three accompanying guests)
- ④ 5~10% discount at LOTTE Duty Free Shops in Korea (limited to some brands and items)
- ⑤ 10% discount on flights in Korea through Asiana Airlines (excludes some routes and periods)

* Please call 1588-8000 (Asiana Airlines) for inquiries regarding the above benefit.

* Level benefits are offered during accommodations at Lotte Hotels & Resorts. Benefits mentioned in ②~⑦ may be received at 5-Star hotels. Food and beverages, and laundry

discounts are limited to shops under 5-Star hotel management. (5-Star hotels are limited to Seoul, World (Seoul Jamsil), Busan, Jeju, Ulsan, Hanoi, Legend Saigon, Guam, Moscow)

- * The room upgrade benefit offers a room at a higher grade than the room reserved by the member (Club Rooms and Suite Rooms are excluded). Upgrade may not be offered depending on room availability.
- * The Club Lounge service is limited to hotels with Club Lounges or Executive Lounges.
- * When the complimentary accommodation offered through the PL level is used, reservations must be made in advance and the accommodation voucher must be presented during checkin.

The complimentary accommodation voucher will expire on December 31 of the year it was issued.

- * The late check-out service is limited to 5-Star hotels, and is excluded at LOTTE Hotel Jeju in July and August. If this service is unavailable due to hotel circumstances, 1,000 Points will be compensated.
- * The above services and benefits may be unavailable or substituted with other services according to the situation of the accommodating hotel.

7-9 Members may receive other special benefits offered by LOTTE Hotels & Resorts for members, and all benefits and participating affiliate stores may change after a notification, if necessary in accordance with internal circumstances or changes related to LOTTE Hotels & Resorts or its affiliates before or after the fact.

7-10 The membership number must be stated when making a reservation at LOTTE Hotels & Resorts in order to receive Privilege benefits, and the membership card or picture ID must be presented when staying in hotel rooms or using affiliate stores.

7-11 The special benefits offered to members by partner hotels, which excludes LOTTE Hotels & Resorts, may differ from the above, and will adhere to what is determined by each hotel.